



Rep. Cynthia Soto

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LRB098 15439 HLH 58361 a

1 AMENDMENT TO HOUSE BILL 3884

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 3884 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The State Finance Act is amended by adding  
5 Sections 5.855 and 6a-4a as follows:

6 (30 ILCS 105/5.855 new)

7 Sec. 5.855. The Public University Capital Projects Fund.

8 (30 ILCS 105/6a-4a new)

9 Sec. 6a-4a. The Public University Capital Projects Fund;  
10 creation. The Public University Capital Projects Fund is hereby  
11 created as a special fund in the State treasury. Moneys in the  
12 Fund shall be used by public universities, subject to  
13 appropriation, solely for the purpose of funding capital  
14 projects and paying deferred maintenance fees. No campus of a  
15 public university may receive appropriations from the Fund that

1 exceed the amount of the tax attributable to sales occurring on  
2 that campus of a public university.

3 Section 10. The Service Occupation Tax Act is amended by  
4 changing Sections 2, 3-10, and 9 and by adding Section 3-12 as  
5 follows:

6 (35 ILCS 115/2) (from Ch. 120, par. 439.102)

7 Sec. 2. "Transfer" means any transfer of the title to  
8 property or of the ownership of property whether or not the  
9 transferor retains title as security for the payment of amounts  
10 due him from the transferee.

11 "Cost Price" means the consideration paid by the serviceman  
12 for a purchase valued in money, whether paid in money or  
13 otherwise, including cash, credits and services, and shall be  
14 determined without any deduction on account of the supplier's  
15 cost of the property sold or on account of any other expense  
16 incurred by the supplier. When a serviceman contracts out part  
17 or all of the services required in his sale of service, it  
18 shall be presumed that the cost price to the serviceman of the  
19 property transferred to him by his or her subcontractor is  
20 equal to 50% of the subcontractor's charges to the serviceman  
21 in the absence of proof of the consideration paid by the  
22 subcontractor for the purchase of such property.

23 "Department" means the Department of Revenue.

24 "Person" means any natural individual, firm, partnership,

1 association, joint stock company, joint venture, public or  
2 private corporation, limited liability company, and any  
3 receiver, executor, trustee, guardian or other representative  
4 appointed by order of any court.

5 "Public university" means Chicago State University,  
6 Eastern Illinois University, Governors State University,  
7 Illinois State University, Northeastern Illinois University,  
8 Northern Illinois University, the Carbondale and Edwardsville  
9 campuses of Southern Illinois University, the Macomb and Moline  
10 campuses of Western Illinois University, the Chicago,  
11 Springfield, and Urbana-Champaign campuses of the University  
12 of Illinois, and any other public university established or  
13 authorized by the General Assembly.

14 "Sale of Service" means any transaction except:

15 (a) A retail sale of tangible personal property taxable  
16 under the Retailers' Occupation Tax Act or under the Use Tax  
17 Act.

18 (b) A sale of tangible personal property for the purpose of  
19 resale made in compliance with Section 2c of the Retailers'  
20 Occupation Tax Act.

21 (c) Except as hereinafter provided, a sale or transfer of  
22 tangible personal property as an incident to the rendering of  
23 service for or by any governmental body or for or by any  
24 corporation, society, association, foundation or institution  
25 organized and operated exclusively for charitable, religious  
26 or educational purposes or any not-for-profit corporation,

1 society, association, foundation, institution or organization  
2 which has no compensated officers or employees and which is  
3 organized and operated primarily for the recreation of persons  
4 55 years of age or older. A limited liability company may  
5 qualify for the exemption under this paragraph only if the  
6 limited liability company is organized and operated  
7 exclusively for educational purposes.

8 (d) A sale or transfer of tangible personal property as an  
9 incident to the rendering of service for interstate carriers  
10 for hire for use as rolling stock moving in interstate commerce  
11 or lessors under leases of one year or longer, executed or in  
12 effect at the time of purchase, to interstate carriers for hire  
13 for use as rolling stock moving in interstate commerce, and  
14 equipment operated by a telecommunications provider, licensed  
15 as a common carrier by the Federal Communications Commission,  
16 which is permanently installed in or affixed to aircraft moving  
17 in interstate commerce.

18 (d-1) A sale or transfer of tangible personal property as  
19 an incident to the rendering of service for owners, lessors or  
20 shippers of tangible personal property which is utilized by  
21 interstate carriers for hire for use as rolling stock moving in  
22 interstate commerce, and equipment operated by a  
23 telecommunications provider, licensed as a common carrier by  
24 the Federal Communications Commission, which is permanently  
25 installed in or affixed to aircraft moving in interstate  
26 commerce.

1           (d-1.1) On and after July 1, 2003 and through June 30,  
2 2004, a sale or transfer of a motor vehicle of the second  
3 division with a gross vehicle weight in excess of 8,000 pounds  
4 as an incident to the rendering of service if that motor  
5 vehicle is subject to the commercial distribution fee imposed  
6 under Section 3-815.1 of the Illinois Vehicle Code. Beginning  
7 on July 1, 2004 and through June 30, 2005, the use in this  
8 State of motor vehicles of the second division: (i) with a  
9 gross vehicle weight rating in excess of 8,000 pounds; (ii)  
10 that are subject to the commercial distribution fee imposed  
11 under Section 3-815.1 of the Illinois Vehicle Code; and (iii)  
12 that are primarily used for commercial purposes. Through June  
13 30, 2005, this exemption applies to repair and replacement  
14 parts added after the initial purchase of such a motor vehicle  
15 if that motor vehicle is used in a manner that would qualify  
16 for the rolling stock exemption otherwise provided for in this  
17 Act. For purposes of this paragraph, "used for commercial  
18 purposes" means the transportation of persons or property in  
19 furtherance of any commercial or industrial enterprise whether  
20 for-hire or not.

21           (d-2) The repairing, reconditioning or remodeling, for a  
22 common carrier by rail, of tangible personal property which  
23 belongs to such carrier for hire, and as to which such carrier  
24 receives the physical possession of the repaired,  
25 reconditioned or remodeled item of tangible personal property  
26 in Illinois, and which such carrier transports, or shares with

1 another common carrier in the transportation of such property,  
2 out of Illinois on a standard uniform bill of lading showing  
3 the person who repaired, reconditioned or remodeled the  
4 property as the shipper or consignor of such property to a  
5 destination outside Illinois, for use outside Illinois.

6 (d-3) A sale or transfer of tangible personal property  
7 which is produced by the seller thereof on special order in  
8 such a way as to have made the applicable tax the Service  
9 Occupation Tax or the Service Use Tax, rather than the  
10 Retailers' Occupation Tax or the Use Tax, for an interstate  
11 carrier by rail which receives the physical possession of such  
12 property in Illinois, and which transports such property, or  
13 shares with another common carrier in the transportation of  
14 such property, out of Illinois on a standard uniform bill of  
15 lading showing the seller of the property as the shipper or  
16 consignor of such property to a destination outside Illinois,  
17 for use outside Illinois.

18 (d-4) Until January 1, 1997, a sale, by a registered  
19 serviceman paying tax under this Act to the Department, of  
20 special order printed materials delivered outside Illinois and  
21 which are not returned to this State, if delivery is made by  
22 the seller or agent of the seller, including an agent who  
23 causes the product to be delivered outside Illinois by a common  
24 carrier or the U.S. postal service.

25 (e) A sale or transfer of machinery and equipment used  
26 primarily in the process of the manufacturing or assembling,

1 either in an existing, an expanded or a new manufacturing  
2 facility, of tangible personal property for wholesale or retail  
3 sale or lease, whether such sale or lease is made directly by  
4 the manufacturer or by some other person, whether the materials  
5 used in the process are owned by the manufacturer or some other  
6 person, or whether such sale or lease is made apart from or as  
7 an incident to the seller's engaging in a service occupation  
8 and the applicable tax is a Service Occupation Tax or Service  
9 Use Tax, rather than Retailers' Occupation Tax or Use Tax. The  
10 exemption provided by this paragraph (e) does not include  
11 machinery and equipment used in (i) the generation of  
12 electricity for wholesale or retail sale; (ii) the generation  
13 or treatment of natural or artificial gas for wholesale or  
14 retail sale that is delivered to customers through pipes,  
15 pipelines, or mains; or (iii) the treatment of water for  
16 wholesale or retail sale that is delivered to customers through  
17 pipes, pipelines, or mains. The provisions of this amendatory  
18 Act of the 98th General Assembly are declaratory of existing  
19 law as to the meaning and scope of this exemption.

20 (f) Until July 1, 2003, the sale or transfer of  
21 distillation machinery and equipment, sold as a unit or kit and  
22 assembled or installed by the retailer, which machinery and  
23 equipment is certified by the user to be used only for the  
24 production of ethyl alcohol that will be used for consumption  
25 as motor fuel or as a component of motor fuel for the personal  
26 use of such user and not subject to sale or resale.

1 (g) At the election of any serviceman not required to be  
2 otherwise registered as a retailer under Section 2a of the  
3 Retailers' Occupation Tax Act, made for each fiscal year sales  
4 of service in which the aggregate annual cost price of tangible  
5 personal property transferred as an incident to the sales of  
6 service is less than 35% (75% in the case of servicemen  
7 transferring prescription drugs or servicemen engaged in  
8 graphic arts production) of the aggregate annual total gross  
9 receipts from all sales of service. The purchase of such  
10 tangible personal property by the serviceman shall be subject  
11 to tax under the Retailers' Occupation Tax Act and the Use Tax  
12 Act. However, if a primary serviceman who has made the election  
13 described in this paragraph subcontracts service work to a  
14 secondary serviceman who has also made the election described  
15 in this paragraph, the primary serviceman does not incur a Use  
16 Tax liability if the secondary serviceman (i) has paid or will  
17 pay Use Tax on his or her cost price of any tangible personal  
18 property transferred to the primary serviceman and (ii)  
19 certifies that fact in writing to the primary serviceman.

20 Tangible personal property transferred incident to the  
21 completion of a maintenance agreement is exempt from the tax  
22 imposed pursuant to this Act.

23 Exemption (e) also includes machinery and equipment used in  
24 the general maintenance or repair of such exempt machinery and  
25 equipment or for in-house manufacture of exempt machinery and  
26 equipment. The machinery and equipment exemption does not

1 include machinery and equipment used in (i) the generation of  
2 electricity for wholesale or retail sale; (ii) the generation  
3 or treatment of natural or artificial gas for wholesale or  
4 retail sale that is delivered to customers through pipes,  
5 pipelines, or mains; or (iii) the treatment of water for  
6 wholesale or retail sale that is delivered to customers through  
7 pipes, pipelines, or mains. The provisions of this amendatory  
8 Act of the 98th General Assembly are declaratory of existing  
9 law as to the meaning and scope of this exemption. For the  
10 purposes of exemption (e), each of these terms shall have the  
11 following meanings: (1) "manufacturing process" shall mean the  
12 production of any article of tangible personal property,  
13 whether such article is a finished product or an article for  
14 use in the process of manufacturing or assembling a different  
15 article of tangible personal property, by procedures commonly  
16 regarded as manufacturing, processing, fabricating, or  
17 refining which changes some existing material or materials into  
18 a material with a different form, use or name. In relation to a  
19 recognized integrated business composed of a series of  
20 operations which collectively constitute manufacturing, or  
21 individually constitute manufacturing operations, the  
22 manufacturing process shall be deemed to commence with the  
23 first operation or stage of production in the series, and shall  
24 not be deemed to end until the completion of the final product  
25 in the last operation or stage of production in the series; and  
26 further for purposes of exemption (e), photoprocessing is

1 deemed to be a manufacturing process of tangible personal  
2 property for wholesale or retail sale; (2) "assembling process"  
3 shall mean the production of any article of tangible personal  
4 property, whether such article is a finished product or an  
5 article for use in the process of manufacturing or assembling a  
6 different article of tangible personal property, by the  
7 combination of existing materials in a manner commonly regarded  
8 as assembling which results in a material of a different form,  
9 use or name; (3) "machinery" shall mean major mechanical  
10 machines or major components of such machines contributing to a  
11 manufacturing or assembling process; and (4) "equipment" shall  
12 include any independent device or tool separate from any  
13 machinery but essential to an integrated manufacturing or  
14 assembly process; including computers used primarily in a  
15 manufacturer's computer assisted design, computer assisted  
16 manufacturing (CAD/CAM) system; or any subunit or assembly  
17 comprising a component of any machinery or auxiliary, adjunct  
18 or attachment parts of machinery, such as tools, dies, jigs,  
19 fixtures, patterns and molds; or any parts which require  
20 periodic replacement in the course of normal operation; but  
21 shall not include hand tools. Equipment includes chemicals or  
22 chemicals acting as catalysts but only if the chemicals or  
23 chemicals acting as catalysts effect a direct and immediate  
24 change upon a product being manufactured or assembled for  
25 wholesale or retail sale or lease. The purchaser of such  
26 machinery and equipment who has an active resale registration

1 number shall furnish such number to the seller at the time of  
2 purchase. The purchaser of such machinery and equipment and  
3 tools without an active resale registration number shall  
4 furnish to the seller a certificate of exemption for each  
5 transaction stating facts establishing the exemption for that  
6 transaction, which certificate shall be available to the  
7 Department for inspection or audit.

8 Except as provided in Section 2d of this Act, the rolling  
9 stock exemption applies to rolling stock used by an interstate  
10 carrier for hire, even just between points in Illinois, if such  
11 rolling stock transports, for hire, persons whose journeys or  
12 property whose shipments originate or terminate outside  
13 Illinois.

14 Any informal rulings, opinions or letters issued by the  
15 Department in response to an inquiry or request for any opinion  
16 from any person regarding the coverage and applicability of  
17 exemption (e) to specific devices shall be published,  
18 maintained as a public record, and made available for public  
19 inspection and copying. If the informal ruling, opinion or  
20 letter contains trade secrets or other confidential  
21 information, where possible the Department shall delete such  
22 information prior to publication. Whenever such informal  
23 rulings, opinions, or letters contain any policy of general  
24 applicability, the Department shall formulate and adopt such  
25 policy as a rule in accordance with the provisions of the  
26 Illinois Administrative Procedure Act.

1           On and after July 1, 1987, no entity otherwise eligible  
2 under exemption (c) of this Section shall make tax free  
3 purchases unless it has an active exemption identification  
4 number issued by the Department.

5           "Serviceman" means any person who is engaged in the  
6 occupation of making sales of service.

7           "Sale at Retail" means "sale at retail" as defined in the  
8 Retailers' Occupation Tax Act.

9           "Supplier" means any person who makes sales of tangible  
10 personal property to servicemen for the purpose of resale as an  
11 incident to a sale of service.

12           (Source: P.A. 98-583, eff. 1-1-14.)

13           (35 ILCS 115/3-10) (from Ch. 120, par. 439.103-10)

14           Sec. 3-10. Rate of tax. Unless otherwise provided in this  
15 Section, the tax imposed by this Act is at the rate of 6.25% of  
16 the "selling price", as defined in Section 2 of the Service Use  
17 Tax Act, of the tangible personal property.

18           As provided in Section 3-12 of this Act, the board of  
19 trustees of a public university may, by a resolution passed by  
20 a majority vote of the board of trustees, provide that an  
21 additional tax shall be imposed at a rate not to exceed 2% of  
22 the "selling price", as defined in Section 2 of the Service Use  
23 Tax Act, of all tangible personal property sold by a serviceman  
24 on any campus of that public university.

25           For the purpose of computing the taxes imposed under this

1 ~~Act this tax~~, in no event shall the "selling price" be less  
2 than the cost price to the serviceman of the tangible personal  
3 property transferred. The selling price of each item of  
4 tangible personal property transferred as an incident of a sale  
5 of service may be shown as a distinct and separate item on the  
6 serviceman's billing to the service customer. If the selling  
7 price is not so shown, the selling price of the tangible  
8 personal property is deemed to be 50% of the serviceman's  
9 entire billing to the service customer. When, however, a  
10 serviceman contracts to design, develop, and produce special  
11 order machinery or equipment, the tax imposed by this Act shall  
12 be based on the serviceman's cost price of the tangible  
13 personal property transferred incident to the completion of the  
14 contract.

15 Beginning on July 1, 2000 and through December 31, 2000,  
16 with respect to motor fuel, as defined in Section 1.1 of the  
17 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of  
18 the Use Tax Act, the tax is imposed at the rate of 1.25%.

19 With respect to gasohol, as defined in the Use Tax Act, the  
20 tax imposed by this Act shall apply to (i) 70% of the cost  
21 price of property transferred as an incident to the sale of  
22 service on or after January 1, 1990, and before July 1, 2003,  
23 (ii) 80% of the selling price of property transferred as an  
24 incident to the sale of service on or after July 1, 2003 and on  
25 or before December 31, 2018, and (iii) 100% of the cost price  
26 thereafter. If, at any time, however, the tax under this Act on

1 sales of gasohol, as defined in the Use Tax Act, is imposed at  
2 the rate of 1.25%, then the tax imposed by this Act applies to  
3 100% of the proceeds of sales of gasohol made during that time.

4 With respect to majority blended ethanol fuel, as defined  
5 in the Use Tax Act, the tax imposed by this Act does not apply  
6 to the selling price of property transferred as an incident to  
7 the sale of service on or after July 1, 2003 and on or before  
8 December 31, 2018 but applies to 100% of the selling price  
9 thereafter.

10 With respect to biodiesel blends, as defined in the Use Tax  
11 Act, with no less than 1% and no more than 10% biodiesel, the  
12 tax imposed by this Act applies to (i) 80% of the selling price  
13 of property transferred as an incident to the sale of service  
14 on or after July 1, 2003 and on or before December 31, 2018 and  
15 (ii) 100% of the proceeds of the selling price thereafter. If,  
16 at any time, however, the tax under this Act on sales of  
17 biodiesel blends, as defined in the Use Tax Act, with no less  
18 than 1% and no more than 10% biodiesel is imposed at the rate  
19 of 1.25%, then the tax imposed by this Act applies to 100% of  
20 the proceeds of sales of biodiesel blends with no less than 1%  
21 and no more than 10% biodiesel made during that time.

22 With respect to 100% biodiesel, as defined in the Use Tax  
23 Act, and biodiesel blends, as defined in the Use Tax Act, with  
24 more than 10% but no more than 99% biodiesel material, the tax  
25 imposed by this Act does not apply to the proceeds of the  
26 selling price of property transferred as an incident to the

1 sale of service on or after July 1, 2003 and on or before  
2 December 31, 2018 but applies to 100% of the selling price  
3 thereafter.

4 At the election of any registered serviceman made for each  
5 fiscal year, sales of service in which the aggregate annual  
6 cost price of tangible personal property transferred as an  
7 incident to the sales of service is less than 35%, or 75% in  
8 the case of servicemen transferring prescription drugs or  
9 servicemen engaged in graphic arts production, of the aggregate  
10 annual total gross receipts from all sales of service, the tax  
11 imposed by this Act shall be based on the serviceman's cost  
12 price of the tangible personal property transferred incident to  
13 the sale of those services.

14 The tax shall be imposed at the rate of 1% on food prepared  
15 for immediate consumption and transferred incident to a sale of  
16 service subject to this Act or the Service Occupation Tax Act  
17 by an entity licensed under the Hospital Licensing Act, the  
18 Nursing Home Care Act, the ID/DD Community Care Act, the  
19 Specialized Mental Health Rehabilitation Act of 2013, or the  
20 Child Care Act of 1969. The tax shall also be imposed at the  
21 rate of 1% on food for human consumption that is to be consumed  
22 off the premises where it is sold (other than alcoholic  
23 beverages, soft drinks, and food that has been prepared for  
24 immediate consumption and is not otherwise included in this  
25 paragraph) and prescription and nonprescription medicines,  
26 drugs, medical appliances, modifications to a motor vehicle for

1 the purpose of rendering it usable by a disabled person, and  
2 insulin, urine testing materials, syringes, and needles used by  
3 diabetics, for human use. For the purposes of this Section,  
4 until September 1, 2009: the term "soft drinks" means any  
5 complete, finished, ready-to-use, non-alcoholic drink, whether  
6 carbonated or not, including but not limited to soda water,  
7 cola, fruit juice, vegetable juice, carbonated water, and all  
8 other preparations commonly known as soft drinks of whatever  
9 kind or description that are contained in any closed or sealed  
10 can, carton, or container, regardless of size; but "soft  
11 drinks" does not include coffee, tea, non-carbonated water,  
12 infant formula, milk or milk products as defined in the Grade A  
13 Pasteurized Milk and Milk Products Act, or drinks containing  
14 50% or more natural fruit or vegetable juice.

15 Notwithstanding any other provisions of this Act,  
16 beginning September 1, 2009, "soft drinks" means non-alcoholic  
17 beverages that contain natural or artificial sweeteners. "Soft  
18 drinks" do not include beverages that contain milk or milk  
19 products, soy, rice or similar milk substitutes, or greater  
20 than 50% of vegetable or fruit juice by volume.

21 Until August 1, 2009, and notwithstanding any other  
22 provisions of this Act, "food for human consumption that is to  
23 be consumed off the premises where it is sold" includes all  
24 food sold through a vending machine, except soft drinks and  
25 food products that are dispensed hot from a vending machine,  
26 regardless of the location of the vending machine. Beginning

1 August 1, 2009, and notwithstanding any other provisions of  
2 this Act, "food for human consumption that is to be consumed  
3 off the premises where it is sold" includes all food sold  
4 through a vending machine, except soft drinks, candy, and food  
5 products that are dispensed hot from a vending machine,  
6 regardless of the location of the vending machine.

7 Notwithstanding any other provisions of this Act,  
8 beginning September 1, 2009, "food for human consumption that  
9 is to be consumed off the premises where it is sold" does not  
10 include candy. For purposes of this Section, "candy" means a  
11 preparation of sugar, honey, or other natural or artificial  
12 sweeteners in combination with chocolate, fruits, nuts or other  
13 ingredients or flavorings in the form of bars, drops, or  
14 pieces. "Candy" does not include any preparation that contains  
15 flour or requires refrigeration.

16 Notwithstanding any other provisions of this Act,  
17 beginning September 1, 2009, "nonprescription medicines and  
18 drugs" does not include grooming and hygiene products. For  
19 purposes of this Section, "grooming and hygiene products"  
20 includes, but is not limited to, soaps and cleaning solutions,  
21 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan  
22 lotions and screens, unless those products are available by  
23 prescription only, regardless of whether the products meet the  
24 definition of "over-the-counter-drugs". For the purposes of  
25 this paragraph, "over-the-counter-drug" means a drug for human  
26 use that contains a label that identifies the product as a drug

1 as required by 21 C.F.R. § 201.66. The "over-the-counter-drug"  
2 label includes:

3 (A) A "Drug Facts" panel; or

4 (B) A statement of the "active ingredient(s)" with a  
5 list of those ingredients contained in the compound,  
6 substance or preparation.

7 Beginning on January 1, 2014 (the effective date of Public  
8 Act 98-122) ~~this amendatory Act of the 98th General Assembly,~~  
9 "prescription and nonprescription medicines and drugs"  
10 includes medical cannabis purchased from a registered  
11 dispensing organization under the Compassionate Use of Medical  
12 Cannabis Pilot Program Act.

13 (Source: P.A. 97-38, eff. 6-28-11; 97-227, eff. 1-1-12; 97-636,  
14 eff. 6-1-12; 98-104, eff. 7-22-13; 98-122, eff. 1-1-14; revised  
15 8-9-13.)

16 (35 ILCS 115/3-12 new)

17 Sec. 3-12. Additional public university tax. The board of  
18 trustees of a public university may, by a resolution passed by  
19 a majority vote of the board of trustees, provide that an  
20 additional tax shall be imposed at a rate not to exceed 2% of  
21 the "selling price", as defined in Section 2 of the Service Use  
22 Tax Act, of all tangible personal property sold by a serviceman  
23 on any campus of that public university. The resolution shall  
24 set forth the rate of tax and the campus or campuses on which  
25 the tax applies. Once imposed, the rate of tax may be increased

1 to a rate not to exceed 2%, the rate of tax may be reduced, or  
2 the tax may be discontinued by a resolution passed by a  
3 majority vote of the board of trustees.

4 A certified copy of the resolution imposing, discontinuing  
5 the tax, or effecting a change in the rate shall be filed with  
6 the Department within 15 days after the resolution is passed,  
7 and the Department shall proceed to administer and enforce this  
8 Section as of the first day of the first month to occur not  
9 less than 30 days after the filing.

10 This additional tax shall not apply to tickets of admission  
11 sold in conformity with the Ticket Sale and Resale Act.

12 If a tax is imposed under this Section, a tax shall be  
13 imposed at the same rate on the same campus under the  
14 provisions of Section 2-12 of the Retailers' Occupation Tax  
15 Act.

16 For purpose of imposing the additional tax under this  
17 paragraph, "campus" means any land owned or leased by a public  
18 university, except for farmland or that portion of land leased  
19 for residential purposes.

20 (35 ILCS 115/9) (from Ch. 120, par. 439.109)

21 Sec. 9. Each serviceman required or authorized to collect  
22 the tax herein imposed shall pay to the Department the amount  
23 of such tax at the time when he is required to file his return  
24 for the period during which such tax was collectible, less a  
25 discount of 2.1% prior to January 1, 1990, and 1.75% on and

1 after January 1, 1990, or \$5 per calendar year, whichever is  
2 greater, which is allowed to reimburse the serviceman for  
3 expenses incurred in collecting the tax, keeping records,  
4 preparing and filing returns, remitting the tax and supplying  
5 data to the Department on request. The Department may disallow  
6 the discount for servicemen whose certificate of registration  
7 is revoked at the time the return is filed, but only if the  
8 Department's decision to revoke the certificate of  
9 registration has become final.

10 Where such tangible personal property is sold under a  
11 conditional sales contract, or under any other form of sale  
12 wherein the payment of the principal sum, or a part thereof, is  
13 extended beyond the close of the period for which the return is  
14 filed, the serviceman, in collecting the tax may collect, for  
15 each tax return period, only the tax applicable to the part of  
16 the selling price actually received during such tax return  
17 period.

18 Except as provided hereinafter in this Section, on or  
19 before the twentieth day of each calendar month, such  
20 serviceman shall file a return for the preceding calendar month  
21 in accordance with reasonable rules and regulations to be  
22 promulgated by the Department of Revenue. Such return shall be  
23 filed on a form prescribed by the Department and shall contain  
24 such information as the Department may reasonably require.

25 The Department may require returns to be filed on a  
26 quarterly basis. If so required, a return for each calendar

1 quarter shall be filed on or before the twentieth day of the  
2 calendar month following the end of such calendar quarter. The  
3 taxpayer shall also file a return with the Department for each  
4 of the first two months of each calendar quarter, on or before  
5 the twentieth day of the following calendar month, stating:

6 1. The name of the seller;

7 2. The address of the principal place of business from  
8 which he engages in business as a serviceman in this State;

9 3. The total amount of taxable receipts received by him  
10 during the preceding calendar month, including receipts  
11 from charge and time sales, but less all deductions allowed  
12 by law;

13 3-5. The total amount of taxable receipts received by  
14 him during the preceding calendar month as a result of  
15 sales that occurred on a campus of a public university,  
16 with a separate entry for each campus; for the purposes of  
17 this item, "campus" means any land owned or leased by a  
18 public university, except for farmland or that portion of  
19 land leased for residential purposes;

20 4. The amount of credit provided in Section 2d of this  
21 Act;

22 5. The amount of tax due;

23 5-5. The signature of the taxpayer; and

24 6. Such other reasonable information as the Department  
25 may require.

26 If a taxpayer fails to sign a return within 30 days after

1 the proper notice and demand for signature by the Department,  
2 the return shall be considered valid and any amount shown to be  
3 due on the return shall be deemed assessed.

4 Prior to October 1, 2003, and on and after September 1,  
5 2004 a serviceman may accept a Manufacturer's Purchase Credit  
6 certification from a purchaser in satisfaction of Service Use  
7 Tax as provided in Section 3-70 of the Service Use Tax Act if  
8 the purchaser provides the appropriate documentation as  
9 required by Section 3-70 of the Service Use Tax Act. A  
10 Manufacturer's Purchase Credit certification, accepted prior  
11 to October 1, 2003 or on or after September 1, 2004 by a  
12 serviceman as provided in Section 3-70 of the Service Use Tax  
13 Act, may be used by that serviceman to satisfy Service  
14 Occupation Tax liability in the amount claimed in the  
15 certification, not to exceed 6.25% of the receipts subject to  
16 tax from a qualifying purchase. A Manufacturer's Purchase  
17 Credit reported on any original or amended return filed under  
18 this Act after October 20, 2003 for reporting periods prior to  
19 September 1, 2004 shall be disallowed. Manufacturer's Purchase  
20 Credit reported on annual returns due on or after January 1,  
21 2005 will be disallowed for periods prior to September 1, 2004.  
22 No Manufacturer's Purchase Credit may be used after September  
23 30, 2003 through August 31, 2004 to satisfy any tax liability  
24 imposed under this Act, including any audit liability.

25 If the serviceman's average monthly tax liability to the  
26 Department does not exceed \$200, the Department may authorize

1 his returns to be filed on a quarter annual basis, with the  
2 return for January, February and March of a given year being  
3 due by April 20 of such year; with the return for April, May  
4 and June of a given year being due by July 20 of such year; with  
5 the return for July, August and September of a given year being  
6 due by October 20 of such year, and with the return for  
7 October, November and December of a given year being due by  
8 January 20 of the following year.

9 If the serviceman's average monthly tax liability to the  
10 Department does not exceed \$50, the Department may authorize  
11 his returns to be filed on an annual basis, with the return for  
12 a given year being due by January 20 of the following year.

13 Such quarter annual and annual returns, as to form and  
14 substance, shall be subject to the same requirements as monthly  
15 returns.

16 Notwithstanding any other provision in this Act concerning  
17 the time within which a serviceman may file his return, in the  
18 case of any serviceman who ceases to engage in a kind of  
19 business which makes him responsible for filing returns under  
20 this Act, such serviceman shall file a final return under this  
21 Act with the Department not more than 1 month after  
22 discontinuing such business.

23 Beginning October 1, 1993, a taxpayer who has an average  
24 monthly tax liability of \$150,000 or more shall make all  
25 payments required by rules of the Department by electronic  
26 funds transfer. Beginning October 1, 1994, a taxpayer who has

1 an average monthly tax liability of \$100,000 or more shall make  
2 all payments required by rules of the Department by electronic  
3 funds transfer. Beginning October 1, 1995, a taxpayer who has  
4 an average monthly tax liability of \$50,000 or more shall make  
5 all payments required by rules of the Department by electronic  
6 funds transfer. Beginning October 1, 2000, a taxpayer who has  
7 an annual tax liability of \$200,000 or more shall make all  
8 payments required by rules of the Department by electronic  
9 funds transfer. The term "annual tax liability" shall be the  
10 sum of the taxpayer's liabilities under this Act, and under all  
11 other State and local occupation and use tax laws administered  
12 by the Department, for the immediately preceding calendar year.  
13 The term "average monthly tax liability" means the sum of the  
14 taxpayer's liabilities under this Act, and under all other  
15 State and local occupation and use tax laws administered by the  
16 Department, for the immediately preceding calendar year  
17 divided by 12. Beginning on October 1, 2002, a taxpayer who has  
18 a tax liability in the amount set forth in subsection (b) of  
19 Section 2505-210 of the Department of Revenue Law shall make  
20 all payments required by rules of the Department by electronic  
21 funds transfer.

22 Before August 1 of each year beginning in 1993, the  
23 Department shall notify all taxpayers required to make payments  
24 by electronic funds transfer. All taxpayers required to make  
25 payments by electronic funds transfer shall make those payments  
26 for a minimum of one year beginning on October 1.

1 Any taxpayer not required to make payments by electronic  
2 funds transfer may make payments by electronic funds transfer  
3 with the permission of the Department.

4 All taxpayers required to make payment by electronic funds  
5 transfer and any taxpayers authorized to voluntarily make  
6 payments by electronic funds transfer shall make those payments  
7 in the manner authorized by the Department.

8 The Department shall adopt such rules as are necessary to  
9 effectuate a program of electronic funds transfer and the  
10 requirements of this Section.

11 Where a serviceman collects the tax with respect to the  
12 selling price of tangible personal property which he sells and  
13 the purchaser thereafter returns such tangible personal  
14 property and the serviceman refunds the selling price thereof  
15 to the purchaser, such serviceman shall also refund, to the  
16 purchaser, the tax so collected from the purchaser. When filing  
17 his return for the period in which he refunds such tax to the  
18 purchaser, the serviceman may deduct the amount of the tax so  
19 refunded by him to the purchaser from any other Service  
20 Occupation Tax, Service Use Tax, Retailers' Occupation Tax or  
21 Use Tax which such serviceman may be required to pay or remit  
22 to the Department, as shown by such return, provided that the  
23 amount of the tax to be deducted shall previously have been  
24 remitted to the Department by such serviceman. If the  
25 serviceman shall not previously have remitted the amount of  
26 such tax to the Department, he shall be entitled to no

1 deduction hereunder upon refunding such tax to the purchaser.

2 If experience indicates such action to be practicable, the  
3 Department may prescribe and furnish a combination or joint  
4 return which will enable servicemen, who are required to file  
5 returns hereunder and also under the Retailers' Occupation Tax  
6 Act, the Use Tax Act or the Service Use Tax Act, to furnish all  
7 the return information required by all said Acts on the one  
8 form.

9 Where the serviceman has more than one business registered  
10 with the Department under separate registrations hereunder,  
11 such serviceman shall file separate returns for each registered  
12 business.

13 Each month the Department shall pay into the Public  
14 University Capital Projects Fund 100% of the net revenue  
15 realized for the preceding month from the additional tax  
16 imposed on sales occurring on a campus of a public university  
17 under Section 3-12 of this Act.

18 Beginning January 1, 1990, each month the Department shall  
19 pay into the Local Government Tax Fund the revenue realized for  
20 the preceding month from the 1% tax on sales of food for human  
21 consumption which is to be consumed off the premises where it  
22 is sold (other than alcoholic beverages, soft drinks and food  
23 which has been prepared for immediate consumption) and  
24 prescription and nonprescription medicines, drugs, medical  
25 appliances and insulin, urine testing materials, syringes and  
26 needles used by diabetics.

1           Beginning January 1, 1990, each month the Department shall  
2 pay into the County and Mass Transit District Fund 4% of the  
3 revenue realized for the preceding month from the 6.25% general  
4 rate.

5           Beginning August 1, 2000, each month the Department shall  
6 pay into the County and Mass Transit District Fund 20% of the  
7 net revenue realized for the preceding month from the 1.25%  
8 rate on the selling price of motor fuel and gasohol.

9           Beginning January 1, 1990, each month the Department shall  
10 pay into the Local Government Tax Fund 16% of the revenue  
11 realized for the preceding month from the 6.25% general rate on  
12 transfers of tangible personal property.

13           Beginning August 1, 2000, each month the Department shall  
14 pay into the Local Government Tax Fund 80% of the net revenue  
15 realized for the preceding month from the 1.25% rate on the  
16 selling price of motor fuel and gasohol.

17           Beginning October 1, 2009, each month the Department shall  
18 pay into the Capital Projects Fund an amount that is equal to  
19 an amount estimated by the Department to represent 80% of the  
20 net revenue realized for the preceding month from the sale of  
21 candy, grooming and hygiene products, and soft drinks that had  
22 been taxed at a rate of 1% prior to September 1, 2009 but that  
23 are ~~is~~ now taxed at 6.25%.

24           Beginning July 1, 2013, each month the Department shall pay  
25 into the Underground Storage Tank Fund from the proceeds  
26 collected under this Act, the Use Tax Act, the Service Use Tax

1 Act, and the Retailers' Occupation Tax Act an amount equal to  
2 the average monthly deficit in the Underground Storage Tank  
3 Fund during the prior year, as certified annually by the  
4 Illinois Environmental Protection Agency, but the total  
5 payment into the Underground Storage Tank Fund under this Act,  
6 the Use Tax Act, the Service Use Tax Act, and the Retailers'  
7 Occupation Tax Act shall not exceed \$18,000,000 in any State  
8 fiscal year. As used in this paragraph, the "average monthly  
9 deficit" shall be equal to the difference between the average  
10 monthly claims for payment by the fund and the average monthly  
11 revenues deposited into the fund, excluding payments made  
12 pursuant to this paragraph.

13 Of the remainder of the moneys received by the Department  
14 pursuant to this Act, (a) 1.75% thereof shall be paid into the  
15 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on  
16 and after July 1, 1989, 3.8% thereof shall be paid into the  
17 Build Illinois Fund; provided, however, that if in any fiscal  
18 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case  
19 may be, of the moneys received by the Department and required  
20 to be paid into the Build Illinois Fund pursuant to Section 3  
21 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax  
22 Act, Section 9 of the Service Use Tax Act, and Section 9 of the  
23 Service Occupation Tax Act, such Acts being hereinafter called  
24 the "Tax Acts" and such aggregate of 2.2% or 3.8%, as the case  
25 may be, of moneys being hereinafter called the "Tax Act  
26 Amount", and (2) the amount transferred to the Build Illinois

1 Fund from the State and Local Sales Tax Reform Fund shall be  
2 less than the Annual Specified Amount (as defined in Section 3  
3 of the Retailers' Occupation Tax Act), an amount equal to the  
4 difference shall be immediately paid into the Build Illinois  
5 Fund from other moneys received by the Department pursuant to  
6 the Tax Acts; and further provided, that if on the last  
7 business day of any month the sum of (1) the Tax Act Amount  
8 required to be deposited into the Build Illinois Account in the  
9 Build Illinois Fund during such month and (2) the amount  
10 transferred during such month to the Build Illinois Fund from  
11 the State and Local Sales Tax Reform Fund shall have been less  
12 than 1/12 of the Annual Specified Amount, an amount equal to  
13 the difference shall be immediately paid into the Build  
14 Illinois Fund from other moneys received by the Department  
15 pursuant to the Tax Acts; and, further provided, that in no  
16 event shall the payments required under the preceding proviso  
17 result in aggregate payments into the Build Illinois Fund  
18 pursuant to this clause (b) for any fiscal year in excess of  
19 the greater of (i) the Tax Act Amount or (ii) the Annual  
20 Specified Amount for such fiscal year; and, further provided,  
21 that the amounts payable into the Build Illinois Fund under  
22 this clause (b) shall be payable only until such time as the  
23 aggregate amount on deposit under each trust indenture securing  
24 Bonds issued and outstanding pursuant to the Build Illinois  
25 Bond Act is sufficient, taking into account any future  
26 investment income, to fully provide, in accordance with such

1 indenture, for the defeasance of or the payment of the  
2 principal of, premium, if any, and interest on the Bonds  
3 secured by such indenture and on any Bonds expected to be  
4 issued thereafter and all fees and costs payable with respect  
5 thereto, all as certified by the Director of the Bureau of the  
6 Budget (now Governor's Office of Management and Budget). If on  
7 the last business day of any month in which Bonds are  
8 outstanding pursuant to the Build Illinois Bond Act, the  
9 aggregate of the moneys deposited in the Build Illinois Bond  
10 Account in the Build Illinois Fund in such month shall be less  
11 than the amount required to be transferred in such month from  
12 the Build Illinois Bond Account to the Build Illinois Bond  
13 Retirement and Interest Fund pursuant to Section 13 of the  
14 Build Illinois Bond Act, an amount equal to such deficiency  
15 shall be immediately paid from other moneys received by the  
16 Department pursuant to the Tax Acts to the Build Illinois Fund;  
17 provided, however, that any amounts paid to the Build Illinois  
18 Fund in any fiscal year pursuant to this sentence shall be  
19 deemed to constitute payments pursuant to clause (b) of the  
20 preceding sentence and shall reduce the amount otherwise  
21 payable for such fiscal year pursuant to clause (b) of the  
22 preceding sentence. The moneys received by the Department  
23 pursuant to this Act and required to be deposited into the  
24 Build Illinois Fund are subject to the pledge, claim and charge  
25 set forth in Section 12 of the Build Illinois Bond Act.

26 Subject to payment of amounts into the Build Illinois Fund

1 as provided in the preceding paragraph or in any amendment  
2 thereto hereafter enacted, the following specified monthly  
3 installment of the amount requested in the certificate of the  
4 Chairman of the Metropolitan Pier and Exposition Authority  
5 provided under Section 8.25f of the State Finance Act, but not  
6 in excess of the sums designated as "Total Deposit", shall be  
7 deposited in the aggregate from collections under Section 9 of  
8 the Use Tax Act, Section 9 of the Service Use Tax Act, Section  
9 9 of the Service Occupation Tax Act, and Section 3 of the  
10 Retailers' Occupation Tax Act into the McCormick Place  
11 Expansion Project Fund in the specified fiscal years.

	Fiscal Year	Total Deposit
12		
13	1993	\$0
14	1994	53,000,000
15	1995	58,000,000
16	1996	61,000,000
17	1997	64,000,000
18	1998	68,000,000
19	1999	71,000,000
20	2000	75,000,000
21	2001	80,000,000
22	2002	93,000,000
23	2003	99,000,000
24	2004	103,000,000
25	2005	108,000,000

1	2006	113,000,000
2	2007	119,000,000
3	2008	126,000,000
4	2009	132,000,000
5	2010	139,000,000
6	2011	146,000,000
7	2012	153,000,000
8	2013	161,000,000
9	2014	170,000,000
10	2015	179,000,000
11	2016	189,000,000
12	2017	199,000,000
13	2018	210,000,000
14	2019	221,000,000
15	2020	233,000,000
16	2021	246,000,000
17	2022	260,000,000
18	2023	275,000,000
19	2024	275,000,000
20	2025	275,000,000
21	2026	279,000,000
22	2027	292,000,000
23	2028	307,000,000
24	2029	322,000,000
25	2030	338,000,000
26	2031	350,000,000

1                               2032                               350,000,000  
2                               and  
3                               each fiscal year  
4                               thereafter that bonds  
5                               are outstanding under  
6                               Section 13.2 of the  
7                               Metropolitan Pier and  
8                               Exposition Authority Act,  
9                               but not after fiscal year 2060.

10           Beginning July 20, 1993 and in each month of each fiscal  
11   year thereafter, one-eighth of the amount requested in the  
12   certificate of the Chairman of the Metropolitan Pier and  
13   Exposition Authority for that fiscal year, less the amount  
14   deposited into the McCormick Place Expansion Project Fund by  
15   the State Treasurer in the respective month under subsection  
16   (g) of Section 13 of the Metropolitan Pier and Exposition  
17   Authority Act, plus cumulative deficiencies in the deposits  
18   required under this Section for previous months and years,  
19   shall be deposited into the McCormick Place Expansion Project  
20   Fund, until the full amount requested for the fiscal year, but  
21   not in excess of the amount specified above as "Total Deposit",  
22   has been deposited.

23           Subject to payment of amounts into the Build Illinois Fund  
24   and the McCormick Place Expansion Project Fund pursuant to the  
25   preceding paragraphs or in any amendments thereto hereafter  
26   enacted, beginning July 1, 1993 and ending on September 30,

1 2013, the Department shall each month pay into the Illinois Tax  
2 Increment Fund 0.27% of 80% of the net revenue realized for the  
3 preceding month from the 6.25% general rate on the selling  
4 price of tangible personal property.

5 Subject to payment of amounts into the Build Illinois Fund  
6 and the McCormick Place Expansion Project Fund pursuant to the  
7 preceding paragraphs or in any amendments thereto hereafter  
8 enacted, beginning with the receipt of the first report of  
9 taxes paid by an eligible business and continuing for a 25-year  
10 period, the Department shall each month pay into the Energy  
11 Infrastructure Fund 80% of the net revenue realized from the  
12 6.25% general rate on the selling price of Illinois-mined coal  
13 that was sold to an eligible business. For purposes of this  
14 paragraph, the term "eligible business" means a new electric  
15 generating facility certified pursuant to Section 605-332 of  
16 the Department of Commerce and Economic Opportunity Law of the  
17 Civil Administrative Code of Illinois.

18 Of the remainder of the moneys received by the Department  
19 pursuant to this Act, 75% shall be paid into the General  
20 Revenue Fund of the State Treasury and 25% shall be reserved in  
21 a special account and used only for the transfer to the Common  
22 School Fund as part of the monthly transfer from the General  
23 Revenue Fund in accordance with Section 8a of the State Finance  
24 Act.

25 The Department may, upon separate written notice to a  
26 taxpayer, require the taxpayer to prepare and file with the

1 Department on a form prescribed by the Department within not  
2 less than 60 days after receipt of the notice an annual  
3 information return for the tax year specified in the notice.  
4 Such annual return to the Department shall include a statement  
5 of gross receipts as shown by the taxpayer's last Federal  
6 income tax return. If the total receipts of the business as  
7 reported in the Federal income tax return do not agree with the  
8 gross receipts reported to the Department of Revenue for the  
9 same period, the taxpayer shall attach to his annual return a  
10 schedule showing a reconciliation of the 2 amounts and the  
11 reasons for the difference. The taxpayer's annual return to the  
12 Department shall also disclose the cost of goods sold by the  
13 taxpayer during the year covered by such return, opening and  
14 closing inventories of such goods for such year, cost of goods  
15 used from stock or taken from stock and given away by the  
16 taxpayer during such year, pay roll information of the  
17 taxpayer's business during such year and any additional  
18 reasonable information which the Department deems would be  
19 helpful in determining the accuracy of the monthly, quarterly  
20 or annual returns filed by such taxpayer as hereinbefore  
21 provided for in this Section.

22 If the annual information return required by this Section  
23 is not filed when and as required, the taxpayer shall be liable  
24 as follows:

25 (i) Until January 1, 1994, the taxpayer shall be liable  
26 for a penalty equal to 1/6 of 1% of the tax due from such

1 taxpayer under this Act during the period to be covered by  
2 the annual return for each month or fraction of a month  
3 until such return is filed as required, the penalty to be  
4 assessed and collected in the same manner as any other  
5 penalty provided for in this Act.

6 (ii) On and after January 1, 1994, the taxpayer shall  
7 be liable for a penalty as described in Section 3-4 of the  
8 Uniform Penalty and Interest Act.

9 The chief executive officer, proprietor, owner or highest  
10 ranking manager shall sign the annual return to certify the  
11 accuracy of the information contained therein. Any person who  
12 willfully signs the annual return containing false or  
13 inaccurate information shall be guilty of perjury and punished  
14 accordingly. The annual return form prescribed by the  
15 Department shall include a warning that the person signing the  
16 return may be liable for perjury.

17 The foregoing portion of this Section concerning the filing  
18 of an annual information return shall not apply to a serviceman  
19 who is not required to file an income tax return with the  
20 United States Government.

21 As soon as possible after the first day of each month, upon  
22 certification of the Department of Revenue, the Comptroller  
23 shall order transferred and the Treasurer shall transfer from  
24 the General Revenue Fund to the Motor Fuel Tax Fund an amount  
25 equal to 1.7% of 80% of the net revenue realized under this Act  
26 for the second preceding month. Beginning April 1, 2000, this

1 transfer is no longer required and shall not be made.

2 Net revenue realized for a month shall be the revenue  
3 collected by the State pursuant to this Act, less the amount  
4 paid out during that month as refunds to taxpayers for  
5 overpayment of liability.

6 For greater simplicity of administration, it shall be  
7 permissible for manufacturers, importers and wholesalers whose  
8 products are sold by numerous servicemen in Illinois, and who  
9 wish to do so, to assume the responsibility for accounting and  
10 paying to the Department all tax accruing under this Act with  
11 respect to such sales, if the servicemen who are affected do  
12 not make written objection to the Department to this  
13 arrangement.

14 (Source: P.A. 98-24, eff. 6-19-13; 98-109, eff. 7-25-13;  
15 98-298, eff. 8-9-13; 98-496, eff. 1-1-14; revised 9-9-13.)

16 Section 15. The Retailers' Occupation Tax Act is amended by  
17 changing Sections 1, 2-10, and 3 and by adding Section 2-12 as  
18 follows:

19 (35 ILCS 120/1) (from Ch. 120, par. 440)

20 Sec. 1. Definitions. "Sale at retail" means any transfer of  
21 the ownership of or title to tangible personal property to a  
22 purchaser, for the purpose of use or consumption, and not for  
23 the purpose of resale in any form as tangible personal property  
24 to the extent not first subjected to a use for which it was

1 purchased, for a valuable consideration: Provided that the  
2 property purchased is deemed to be purchased for the purpose of  
3 resale, despite first being used, to the extent to which it is  
4 resold as an ingredient of an intentionally produced product or  
5 byproduct of manufacturing. For this purpose, slag produced as  
6 an incident to manufacturing pig iron or steel and sold is  
7 considered to be an intentionally produced byproduct of  
8 manufacturing. Transactions whereby the possession of the  
9 property is transferred but the seller retains the title as  
10 security for payment of the selling price shall be deemed to be  
11 sales.

12 "Sale at retail" shall be construed to include any transfer  
13 of the ownership of or title to tangible personal property to a  
14 purchaser, for use or consumption by any other person to whom  
15 such purchaser may transfer the tangible personal property  
16 without a valuable consideration, and to include any transfer,  
17 whether made for or without a valuable consideration, for  
18 resale in any form as tangible personal property unless made in  
19 compliance with Section 2c of this Act.

20 Sales of tangible personal property, which property, to the  
21 extent not first subjected to a use for which it was purchased,  
22 as an ingredient or constituent, goes into and forms a part of  
23 tangible personal property subsequently the subject of a "Sale  
24 at retail", are not sales at retail as defined in this Act:  
25 Provided that the property purchased is deemed to be purchased  
26 for the purpose of resale, despite first being used, to the

1 extent to which it is resold as an ingredient of an  
2 intentionally produced product or byproduct of manufacturing.

3 "Sale at retail" shall be construed to include any Illinois  
4 florist's sales transaction in which the purchase order is  
5 received in Illinois by a florist and the sale is for use or  
6 consumption, but the Illinois florist has a florist in another  
7 state deliver the property to the purchaser or the purchaser's  
8 donee in such other state.

9 Nonreusable tangible personal property that is used by  
10 persons engaged in the business of operating a restaurant,  
11 cafeteria, or drive-in is a sale for resale when it is  
12 transferred to customers in the ordinary course of business as  
13 part of the sale of food or beverages and is used to deliver,  
14 package, or consume food or beverages, regardless of where  
15 consumption of the food or beverages occurs. Examples of those  
16 items include, but are not limited to nonreusable, paper and  
17 plastic cups, plates, baskets, boxes, sleeves, buckets or other  
18 containers, utensils, straws, placemats, napkins, doggie bags,  
19 and wrapping or packaging materials that are transferred to  
20 customers as part of the sale of food or beverages in the  
21 ordinary course of business.

22 The purchase, employment and transfer of such tangible  
23 personal property as newsprint and ink for the primary purpose  
24 of conveying news (with or without other information) is not a  
25 purchase, use or sale of tangible personal property.

26 A person whose activities are organized and conducted

1 primarily as a not-for-profit service enterprise, and who  
2 engages in selling tangible personal property at retail  
3 (whether to the public or merely to members and their guests)  
4 is engaged in the business of selling tangible personal  
5 property at retail with respect to such transactions, excepting  
6 only a person organized and operated exclusively for  
7 charitable, religious or educational purposes either (1), to  
8 the extent of sales by such person to its members, students,  
9 patients or inmates of tangible personal property to be used  
10 primarily for the purposes of such person, or (2), to the  
11 extent of sales by such person of tangible personal property  
12 which is not sold or offered for sale by persons organized for  
13 profit. The selling of school books and school supplies by  
14 schools at retail to students is not "primarily for the  
15 purposes of" the school which does such selling. The provisions  
16 of this paragraph shall not apply to nor subject to taxation  
17 occasional dinners, socials or similar activities of a person  
18 organized and operated exclusively for charitable, religious  
19 or educational purposes, whether or not such activities are  
20 open to the public.

21 A person who is the recipient of a grant or contract under  
22 Title VII of the Older Americans Act of 1965 (P.L. 92-258) and  
23 serves meals to participants in the federal Nutrition Program  
24 for the Elderly in return for contributions established in  
25 amount by the individual participant pursuant to a schedule of  
26 suggested fees as provided for in the federal Act is not

1 engaged in the business of selling tangible personal property  
2 at retail with respect to such transactions.

3 "Purchaser" means anyone who, through a sale at retail,  
4 acquires the ownership of or title to tangible personal  
5 property for a valuable consideration.

6 "Reseller of motor fuel" means any person engaged in the  
7 business of selling or delivering or transferring title of  
8 motor fuel to another person other than for use or consumption.  
9 No person shall act as a reseller of motor fuel within this  
10 State without first being registered as a reseller pursuant to  
11 Section 2c or a retailer pursuant to Section 2a.

12 "Selling price" or the "amount of sale" means the  
13 consideration for a sale valued in money whether received in  
14 money or otherwise, including cash, credits, property, other  
15 than as hereinafter provided, and services, but not including  
16 the value of or credit given for traded-in tangible personal  
17 property where the item that is traded-in is of like kind and  
18 character as that which is being sold, and shall be determined  
19 without any deduction on account of the cost of the property  
20 sold, the cost of materials used, labor or service cost or any  
21 other expense whatsoever, but does not include charges that are  
22 added to prices by sellers on account of the seller's tax  
23 liability under this Act, or on account of the seller's duty to  
24 collect, from the purchaser, the tax that is imposed by the Use  
25 Tax Act, or, except as otherwise provided with respect to any  
26 cigarette tax imposed by a home rule unit, on account of the

1 seller's tax liability under any local occupation tax  
2 administered by the Department, or, except as otherwise  
3 provided with respect to any cigarette tax imposed by a home  
4 rule unit on account of the seller's duty to collect, from the  
5 purchasers, the tax that is imposed under any local use tax  
6 administered by the Department. Effective December 1, 1985,  
7 "selling price" shall include charges that are added to prices  
8 by sellers on account of the seller's tax liability under the  
9 Cigarette Tax Act, on account of the sellers' duty to collect,  
10 from the purchaser, the tax imposed under the Cigarette Use Tax  
11 Act, and on account of the seller's duty to collect, from the  
12 purchaser, any cigarette tax imposed by a home rule unit.

13 The phrase "like kind and character" shall be liberally  
14 construed (including but not limited to any form of motor  
15 vehicle for any form of motor vehicle, or any kind of farm or  
16 agricultural implement for any other kind of farm or  
17 agricultural implement), while not including a kind of item  
18 which, if sold at retail by that retailer, would be exempt from  
19 retailers' occupation tax and use tax as an isolated or  
20 occasional sale.

21 "Gross receipts" from the sales of tangible personal  
22 property at retail means the total selling price or the amount  
23 of such sales, as hereinbefore defined. In the case of charge  
24 and time sales, the amount thereof shall be included only as  
25 and when payments are received by the seller. Receipts or other  
26 consideration derived by a seller from the sale, transfer or

1 assignment of accounts receivable to a wholly owned subsidiary  
2 will not be deemed payments prior to the time the purchaser  
3 makes payment on such accounts.

4 "Department" means the Department of Revenue.

5 "Person" means any natural individual, firm, partnership,  
6 association, joint stock company, joint adventure, public or  
7 private corporation, limited liability company, or a receiver,  
8 executor, trustee, guardian or other representative appointed  
9 by order of any court.

10 The isolated or occasional sale of tangible personal  
11 property at retail by a person who does not hold himself out as  
12 being engaged (or who does not habitually engage) in selling  
13 such tangible personal property at retail, or a sale through a  
14 bulk vending machine, does not constitute engaging in a  
15 business of selling such tangible personal property at retail  
16 within the meaning of this Act; provided that any person who is  
17 engaged in a business which is not subject to the tax imposed  
18 by this Act because of involving the sale of or a contract to  
19 sell real estate or a construction contract to improve real  
20 estate or a construction contract to engineer, install, and  
21 maintain an integrated system of products, but who, in the  
22 course of conducting such business, transfers tangible  
23 personal property to users or consumers in the finished form in  
24 which it was purchased, and which does not become real estate  
25 or was not engineered and installed, under any provision of a  
26 construction contract or real estate sale or real estate sales

1 agreement entered into with some other person arising out of or  
2 because of such nontaxable business, is engaged in the business  
3 of selling tangible personal property at retail to the extent  
4 of the value of the tangible personal property so transferred.  
5 If, in such a transaction, a separate charge is made for the  
6 tangible personal property so transferred, the value of such  
7 property, for the purpose of this Act, shall be the amount so  
8 separately charged, but not less than the cost of such property  
9 to the transferor; if no separate charge is made, the value of  
10 such property, for the purposes of this Act, is the cost to the  
11 transferor of such tangible personal property. Construction  
12 contracts for the improvement of real estate consisting of  
13 engineering, installation, and maintenance of voice, data,  
14 video, security, and all telecommunication systems do not  
15 constitute engaging in a business of selling tangible personal  
16 property at retail within the meaning of this Act if they are  
17 sold at one specified contract price.

18 A person who holds himself or herself out as being engaged  
19 (or who habitually engages) in selling tangible personal  
20 property at retail is a person engaged in the business of  
21 selling tangible personal property at retail hereunder with  
22 respect to such sales (and not primarily in a service  
23 occupation) notwithstanding the fact that such person designs  
24 and produces such tangible personal property on special order  
25 for the purchaser and in such a way as to render the property  
26 of value only to such purchaser, if such tangible personal

1 property so produced on special order serves substantially the  
2 same function as stock or standard items of tangible personal  
3 property that are sold at retail.

4 Persons who engage in the business of transferring tangible  
5 personal property upon the redemption of trading stamps are  
6 engaged in the business of selling such property at retail and  
7 shall be liable for and shall pay the tax imposed by this Act  
8 on the basis of the retail value of the property transferred  
9 upon redemption of such stamps.

10 "Bulk vending machine" means a vending machine, containing  
11 unsorted confections, nuts, toys, or other items designed  
12 primarily to be used or played with by children which, when a  
13 coin or coins of a denomination not larger than \$0.50 are  
14 inserted, are dispensed in equal portions, at random and  
15 without selection by the customer.

16 "Public university" means Chicago State University,  
17 Eastern Illinois University, Governors State University,  
18 Illinois State University, Northeastern Illinois University,  
19 Northern Illinois University, the Carbondale and Edwardsville  
20 campuses of Southern Illinois University, the Macomb and Moline  
21 campuses of Western Illinois University, the Chicago,  
22 Springfield, and Urbana-Champaign campuses of the University  
23 of Illinois, and any other public university established or  
24 authorized by the General Assembly.

25 (Source: P.A. 95-723, eff. 6-23-08.)

1 (35 ILCS 120/2-10)

2 Sec. 2-10. Rate of tax. Unless otherwise provided in this  
3 Section, the tax imposed by this Act is at the rate of 6.25% of  
4 gross receipts from sales of tangible personal property made in  
5 the course of business.

6 As provided in Section 2-12 of this Act, the board of  
7 trustees of a public university may, by a resolution passed by  
8 a majority vote of the board of trustees, provide that an  
9 additional tax shall be imposed at a rate not to exceed 2% of  
10 the gross receipts from sales of tangible personal property  
11 sold by a retailer on any campus of that public university.

12 Beginning on July 1, 2000 and through December 31, 2000,  
13 with respect to motor fuel, as defined in Section 1.1 of the  
14 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of  
15 the Use Tax Act, the tax is imposed at the rate of 1.25%.

16 Beginning on August 6, 2010 through August 15, 2010, with  
17 respect to sales tax holiday items as defined in Section 2-8 of  
18 this Act, the tax is imposed at the rate of 1.25%.

19 Within 14 days after the effective date of this amendatory  
20 Act of the 91st General Assembly, each retailer of motor fuel  
21 and gasohol shall cause the following notice to be posted in a  
22 prominently visible place on each retail dispensing device that  
23 is used to dispense motor fuel or gasohol in the State of  
24 Illinois: "As of July 1, 2000, the State of Illinois has  
25 eliminated the State's share of sales tax on motor fuel and  
26 gasohol through December 31, 2000. The price on this pump

1 should reflect the elimination of the tax." The notice shall be  
2 printed in bold print on a sign that is no smaller than 4  
3 inches by 8 inches. The sign shall be clearly visible to  
4 customers. Any retailer who fails to post or maintain a  
5 required sign through December 31, 2000 is guilty of a petty  
6 offense for which the fine shall be \$500 per day per each  
7 retail premises where a violation occurs.

8 With respect to gasohol, as defined in the Use Tax Act, the  
9 tax imposed by this Act applies to (i) 70% of the proceeds of  
10 sales made on or after January 1, 1990, and before July 1,  
11 2003, (ii) 80% of the proceeds of sales made on or after July  
12 1, 2003 and on or before December 31, 2018, and (iii) 100% of  
13 the proceeds of sales made thereafter. If, at any time,  
14 however, the tax under this Act on sales of gasohol, as defined  
15 in the Use Tax Act, is imposed at the rate of 1.25%, then the  
16 tax imposed by this Act applies to 100% of the proceeds of  
17 sales of gasohol made during that time.

18 With respect to majority blended ethanol fuel, as defined  
19 in the Use Tax Act, the tax imposed by this Act does not apply  
20 to the proceeds of sales made on or after July 1, 2003 and on or  
21 before December 31, 2018 but applies to 100% of the proceeds of  
22 sales made thereafter.

23 With respect to biodiesel blends, as defined in the Use Tax  
24 Act, with no less than 1% and no more than 10% biodiesel, the  
25 tax imposed by this Act applies to (i) 80% of the proceeds of  
26 sales made on or after July 1, 2003 and on or before December

1 31, 2018 and (ii) 100% of the proceeds of sales made  
2 thereafter. If, at any time, however, the tax under this Act on  
3 sales of biodiesel blends, as defined in the Use Tax Act, with  
4 no less than 1% and no more than 10% biodiesel is imposed at  
5 the rate of 1.25%, then the tax imposed by this Act applies to  
6 100% of the proceeds of sales of biodiesel blends with no less  
7 than 1% and no more than 10% biodiesel made during that time.

8 With respect to 100% biodiesel, as defined in the Use Tax  
9 Act, and biodiesel blends, as defined in the Use Tax Act, with  
10 more than 10% but no more than 99% biodiesel, the tax imposed  
11 by this Act does not apply to the proceeds of sales made on or  
12 after July 1, 2003 and on or before December 31, 2018 but  
13 applies to 100% of the proceeds of sales made thereafter.

14 With respect to food for human consumption that is to be  
15 consumed off the premises where it is sold (other than  
16 alcoholic beverages, soft drinks, and food that has been  
17 prepared for immediate consumption) and prescription and  
18 nonprescription medicines, drugs, medical appliances,  
19 modifications to a motor vehicle for the purpose of rendering  
20 it usable by a disabled person, and insulin, urine testing  
21 materials, syringes, and needles used by diabetics, for human  
22 use, the tax is imposed at the rate of 1%. For the purposes of  
23 this Section, until September 1, 2009: the term "soft drinks"  
24 means any complete, finished, ready-to-use, non-alcoholic  
25 drink, whether carbonated or not, including but not limited to  
26 soda water, cola, fruit juice, vegetable juice, carbonated

1 water, and all other preparations commonly known as soft drinks  
2 of whatever kind or description that are contained in any  
3 closed or sealed bottle, can, carton, or container, regardless  
4 of size; but "soft drinks" does not include coffee, tea,  
5 non-carbonated water, infant formula, milk or milk products as  
6 defined in the Grade A Pasteurized Milk and Milk Products Act,  
7 or drinks containing 50% or more natural fruit or vegetable  
8 juice.

9 Notwithstanding any other provisions of this Act,  
10 beginning September 1, 2009, "soft drinks" means non-alcoholic  
11 beverages that contain natural or artificial sweeteners. "Soft  
12 drinks" do not include beverages that contain milk or milk  
13 products, soy, rice or similar milk substitutes, or greater  
14 than 50% of vegetable or fruit juice by volume.

15 Until August 1, 2009, and notwithstanding any other  
16 provisions of this Act, "food for human consumption that is to  
17 be consumed off the premises where it is sold" includes all  
18 food sold through a vending machine, except soft drinks and  
19 food products that are dispensed hot from a vending machine,  
20 regardless of the location of the vending machine. Beginning  
21 August 1, 2009, and notwithstanding any other provisions of  
22 this Act, "food for human consumption that is to be consumed  
23 off the premises where it is sold" includes all food sold  
24 through a vending machine, except soft drinks, candy, and food  
25 products that are dispensed hot from a vending machine,  
26 regardless of the location of the vending machine.

1           Notwithstanding any other provisions of this Act,  
2 beginning September 1, 2009, "food for human consumption that  
3 is to be consumed off the premises where it is sold" does not  
4 include candy. For purposes of this Section, "candy" means a  
5 preparation of sugar, honey, or other natural or artificial  
6 sweeteners in combination with chocolate, fruits, nuts or other  
7 ingredients or flavorings in the form of bars, drops, or  
8 pieces. "Candy" does not include any preparation that contains  
9 flour or requires refrigeration.

10           Notwithstanding any other provisions of this Act,  
11 beginning September 1, 2009, "nonprescription medicines and  
12 drugs" does not include grooming and hygiene products. For  
13 purposes of this Section, "grooming and hygiene products"  
14 includes, but is not limited to, soaps and cleaning solutions,  
15 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan  
16 lotions and screens, unless those products are available by  
17 prescription only, regardless of whether the products meet the  
18 definition of "over-the-counter-drugs". For the purposes of  
19 this paragraph, "over-the-counter-drug" means a drug for human  
20 use that contains a label that identifies the product as a drug  
21 as required by 21 C.F.R. § 201.66. The "over-the-counter-drug"  
22 label includes:

23           (A) A "Drug Facts" panel; or

24           (B) A statement of the "active ingredient(s)" with a  
25 list of those ingredients contained in the compound,  
26 substance or preparation.

1           Beginning on the effective date of this amendatory Act of  
2 the 98th General Assembly, "prescription and nonprescription  
3 medicines and drugs" includes medical cannabis purchased from a  
4 registered dispensing organization under the Compassionate Use  
5 of Medical Cannabis Pilot Program Act.

6 (Source: P.A. 97-636, eff. 6-1-12; 98-122, eff. 1-1-14.)

7           (35 ILCS 120/2-12 new)

8           Sec. 2-12. Additional public university tax. The board of  
9 trustees of a public university may, by a resolution passed by  
10 a majority vote of the board of trustees, provide that an  
11 additional tax shall be imposed at a rate not to exceed 2% of  
12 the gross receipts from sales of tangible personal property  
13 sold by a retailer on any campus of that public university. The  
14 resolution shall set forth the rate of tax and the campus or  
15 campuses on which the tax applies. Once imposed, the rate of  
16 tax may be increased to a rate not to exceed 2%, the rate of tax  
17 may be reduced, or the tax may be discontinued by a resolution  
18 passed by a majority vote of the board of trustees.

19           A certified copy of the resolution imposing, discontinuing  
20 the tax, or effecting a change in the rate shall be filed with  
21 the Department within 15 days after the resolution is passed,  
22 and the Department shall proceed to administer and enforce this  
23 Section as of the first day of the first month to occur not  
24 less than 30 days after the filing.

25           This additional tax shall not apply to tickets of admission

1 sold in conformity with the Ticket Sale and Resale Act.

2 If a tax is imposed under this Section, a tax shall be  
3 imposed at the same rate on the same campus under the  
4 provisions of Section 2-12 of the Service Occupation Tax Act.

5 For purpose of imposing the additional tax under this  
6 paragraph, "campus" means any land owned or leased by a public  
7 university, except for farmland or that portion of land leased  
8 for residential purposes.

9 (35 ILCS 120/3) (from Ch. 120, par. 442)

10 Sec. 3. Except as provided in this Section, on or before  
11 the twentieth day of each calendar month, every person engaged  
12 in the business of selling tangible personal property at retail  
13 in this State during the preceding calendar month shall file a  
14 return with the Department, stating:

15 1. The name of the seller;

16 2. His residence address and the address of his  
17 principal place of business and the address of the  
18 principal place of business (if that is a different  
19 address) from which he engages in the business of selling  
20 tangible personal property at retail in this State;

21 3. Total amount of receipts received by him during the  
22 preceding calendar month or quarter, as the case may be,  
23 from sales of tangible personal property, and from services  
24 furnished, by him during such preceding calendar month or  
25 quarter;

1           4. Total amount received by him during the preceding  
2           calendar month or quarter on charge and time sales of  
3           tangible personal property, and from services furnished,  
4           by him prior to the month or quarter for which the return  
5           is filed;

6           4-5. Total amount of receipts received by him during  
7           the preceding calendar month or quarter, as the case may  
8           be, from sales of tangible personal property occurring on  
9           the campus of a public university, with a separate entry  
10          for each campus; as used in this item, "campus" means any  
11          land owned or leased by a public university, except for  
12          farmland or that portion of land leased for residential  
13          purposes;

14          5. Deductions allowed by law;

15          6. Gross receipts which were received by him during the  
16          preceding calendar month or quarter and upon the basis of  
17          which the tax is imposed;

18          7. The amount of credit provided in Section 2d of this  
19          Act;

20          8. The amount of tax due;

21          9. The signature of the taxpayer; and

22          10. Such other reasonable information as the  
23          Department may require.

24          If a taxpayer fails to sign a return within 30 days after  
25          the proper notice and demand for signature by the Department,  
26          the return shall be considered valid and any amount shown to be

1 due on the return shall be deemed assessed.

2 Each return shall be accompanied by the statement of  
3 prepaid tax issued pursuant to Section 2e for which credit is  
4 claimed.

5 Prior to October 1, 2003, and on and after September 1,  
6 2004 a retailer may accept a Manufacturer's Purchase Credit  
7 certification from a purchaser in satisfaction of Use Tax as  
8 provided in Section 3-85 of the Use Tax Act if the purchaser  
9 provides the appropriate documentation as required by Section  
10 3-85 of the Use Tax Act. A Manufacturer's Purchase Credit  
11 certification, accepted by a retailer prior to October 1, 2003  
12 and on and after September 1, 2004 as provided in Section 3-85  
13 of the Use Tax Act, may be used by that retailer to satisfy  
14 Retailers' Occupation Tax liability in the amount claimed in  
15 the certification, not to exceed 6.25% of the receipts subject  
16 to tax from a qualifying purchase. A Manufacturer's Purchase  
17 Credit reported on any original or amended return filed under  
18 this Act after October 20, 2003 for reporting periods prior to  
19 September 1, 2004 shall be disallowed. Manufacturer's  
20 Purchaser Credit reported on annual returns due on or after  
21 January 1, 2005 will be disallowed for periods prior to  
22 September 1, 2004. No Manufacturer's Purchase Credit may be  
23 used after September 30, 2003 through August 31, 2004 to  
24 satisfy any tax liability imposed under this Act, including any  
25 audit liability.

26 The Department may require returns to be filed on a

1 quarterly basis. If so required, a return for each calendar  
2 quarter shall be filed on or before the twentieth day of the  
3 calendar month following the end of such calendar quarter. The  
4 taxpayer shall also file a return with the Department for each  
5 of the first two months of each calendar quarter, on or before  
6 the twentieth day of the following calendar month, stating:

7 1. The name of the seller;

8 2. The address of the principal place of business from  
9 which he engages in the business of selling tangible  
10 personal property at retail in this State;

11 3. The total amount of taxable receipts received by him  
12 during the preceding calendar month from sales of tangible  
13 personal property by him during such preceding calendar  
14 month, including receipts from charge and time sales, but  
15 less all deductions allowed by law;

16 3-5. Total amount of receipts received by him during  
17 the preceding calendar month from sales of tangible  
18 personal property occurring on a campus of a public  
19 university, with a separate entry for each campus; as used  
20 in this item, "campus" means any land owned or leased by a  
21 public university, except for farmland or that portion of  
22 land leased for residential purposes;

23 4. The amount of credit provided in Section 2d of this  
24 Act;

25 5. The amount of tax due; and

26 6. Such other reasonable information as the Department

1           may require.

2           Beginning on October 1, 2003, any person who is not a  
3 licensed distributor, importing distributor, or manufacturer,  
4 as defined in the Liquor Control Act of 1934, but is engaged in  
5 the business of selling, at retail, alcoholic liquor shall file  
6 a statement with the Department of Revenue, in a format and at  
7 a time prescribed by the Department, showing the total amount  
8 paid for alcoholic liquor purchased during the preceding month  
9 and such other information as is reasonably required by the  
10 Department. The Department may adopt rules to require that this  
11 statement be filed in an electronic or telephonic format. Such  
12 rules may provide for exceptions from the filing requirements  
13 of this paragraph. For the purposes of this paragraph, the term  
14 "alcoholic liquor" shall have the meaning prescribed in the  
15 Liquor Control Act of 1934.

16           Beginning on October 1, 2003, every distributor, importing  
17 distributor, and manufacturer of alcoholic liquor as defined in  
18 the Liquor Control Act of 1934, shall file a statement with the  
19 Department of Revenue, no later than the 10th day of the month  
20 for the preceding month during which transactions occurred, by  
21 electronic means, showing the total amount of gross receipts  
22 from the sale of alcoholic liquor sold or distributed during  
23 the preceding month to purchasers; identifying the purchaser to  
24 whom it was sold or distributed; the purchaser's tax  
25 registration number; and such other information reasonably  
26 required by the Department. A distributor, importing

1 distributor, or manufacturer of alcoholic liquor must  
2 personally deliver, mail, or provide by electronic means to  
3 each retailer listed on the monthly statement a report  
4 containing a cumulative total of that distributor's, importing  
5 distributor's, or manufacturer's total sales of alcoholic  
6 liquor to that retailer no later than the 10th day of the month  
7 for the preceding month during which the transaction occurred.  
8 The distributor, importing distributor, or manufacturer shall  
9 notify the retailer as to the method by which the distributor,  
10 importing distributor, or manufacturer will provide the sales  
11 information. If the retailer is unable to receive the sales  
12 information by electronic means, the distributor, importing  
13 distributor, or manufacturer shall furnish the sales  
14 information by personal delivery or by mail. For purposes of  
15 this paragraph, the term "electronic means" includes, but is  
16 not limited to, the use of a secure Internet website, e-mail,  
17 or facsimile.

18 If a total amount of less than \$1 is payable, refundable or  
19 creditable, such amount shall be disregarded if it is less than  
20 50 cents and shall be increased to \$1 if it is 50 cents or more.

21 Beginning October 1, 1993, a taxpayer who has an average  
22 monthly tax liability of \$150,000 or more shall make all  
23 payments required by rules of the Department by electronic  
24 funds transfer. Beginning October 1, 1994, a taxpayer who has  
25 an average monthly tax liability of \$100,000 or more shall make  
26 all payments required by rules of the Department by electronic

1 funds transfer. Beginning October 1, 1995, a taxpayer who has  
2 an average monthly tax liability of \$50,000 or more shall make  
3 all payments required by rules of the Department by electronic  
4 funds transfer. Beginning October 1, 2000, a taxpayer who has  
5 an annual tax liability of \$200,000 or more shall make all  
6 payments required by rules of the Department by electronic  
7 funds transfer. The term "annual tax liability" shall be the  
8 sum of the taxpayer's liabilities under this Act, and under all  
9 other State and local occupation and use tax laws administered  
10 by the Department, for the immediately preceding calendar year.  
11 The term "average monthly tax liability" shall be the sum of  
12 the taxpayer's liabilities under this Act, and under all other  
13 State and local occupation and use tax laws administered by the  
14 Department, for the immediately preceding calendar year  
15 divided by 12. Beginning on October 1, 2002, a taxpayer who has  
16 a tax liability in the amount set forth in subsection (b) of  
17 Section 2505-210 of the Department of Revenue Law shall make  
18 all payments required by rules of the Department by electronic  
19 funds transfer.

20 Before August 1 of each year beginning in 1993, the  
21 Department shall notify all taxpayers required to make payments  
22 by electronic funds transfer. All taxpayers required to make  
23 payments by electronic funds transfer shall make those payments  
24 for a minimum of one year beginning on October 1.

25 Any taxpayer not required to make payments by electronic  
26 funds transfer may make payments by electronic funds transfer

1 with the permission of the Department.

2 All taxpayers required to make payment by electronic funds  
3 transfer and any taxpayers authorized to voluntarily make  
4 payments by electronic funds transfer shall make those payments  
5 in the manner authorized by the Department.

6 The Department shall adopt such rules as are necessary to  
7 effectuate a program of electronic funds transfer and the  
8 requirements of this Section.

9 Any amount which is required to be shown or reported on any  
10 return or other document under this Act shall, if such amount  
11 is not a whole-dollar amount, be increased to the nearest  
12 whole-dollar amount in any case where the fractional part of a  
13 dollar is 50 cents or more, and decreased to the nearest  
14 whole-dollar amount where the fractional part of a dollar is  
15 less than 50 cents.

16 If the retailer is otherwise required to file a monthly  
17 return and if the retailer's average monthly tax liability to  
18 the Department does not exceed \$200, the Department may  
19 authorize his returns to be filed on a quarter annual basis,  
20 with the return for January, February and March of a given year  
21 being due by April 20 of such year; with the return for April,  
22 May and June of a given year being due by July 20 of such year;  
23 with the return for July, August and September of a given year  
24 being due by October 20 of such year, and with the return for  
25 October, November and December of a given year being due by  
26 January 20 of the following year.

1           If the retailer is otherwise required to file a monthly or  
2 quarterly return and if the retailer's average monthly tax  
3 liability with the Department does not exceed \$50, the  
4 Department may authorize his returns to be filed on an annual  
5 basis, with the return for a given year being due by January 20  
6 of the following year.

7           Such quarter annual and annual returns, as to form and  
8 substance, shall be subject to the same requirements as monthly  
9 returns.

10          Notwithstanding any other provision in this Act concerning  
11 the time within which a retailer may file his return, in the  
12 case of any retailer who ceases to engage in a kind of business  
13 which makes him responsible for filing returns under this Act,  
14 such retailer shall file a final return under this Act with the  
15 Department not more than one month after discontinuing such  
16 business.

17          Where the same person has more than one business registered  
18 with the Department under separate registrations under this  
19 Act, such person may not file each return that is due as a  
20 single return covering all such registered businesses, but  
21 shall file separate returns for each such registered business.

22          In addition, with respect to motor vehicles, watercraft,  
23 aircraft, and trailers that are required to be registered with  
24 an agency of this State, every retailer selling this kind of  
25 tangible personal property shall file, with the Department,  
26 upon a form to be prescribed and supplied by the Department, a

1 separate return for each such item of tangible personal  
2 property which the retailer sells, except that if, in the same  
3 transaction, (i) a retailer of aircraft, watercraft, motor  
4 vehicles or trailers transfers more than one aircraft,  
5 watercraft, motor vehicle or trailer to another aircraft,  
6 watercraft, motor vehicle retailer or trailer retailer for the  
7 purpose of resale or (ii) a retailer of aircraft, watercraft,  
8 motor vehicles, or trailers transfers more than one aircraft,  
9 watercraft, motor vehicle, or trailer to a purchaser for use as  
10 a qualifying rolling stock as provided in Section 2-5 of this  
11 Act, then that seller may report the transfer of all aircraft,  
12 watercraft, motor vehicles or trailers involved in that  
13 transaction to the Department on the same uniform  
14 invoice-transaction reporting return form. For purposes of  
15 this Section, "watercraft" means a Class 2, Class 3, or Class 4  
16 watercraft as defined in Section 3-2 of the Boat Registration  
17 and Safety Act, a personal watercraft, or any boat equipped  
18 with an inboard motor.

19 Any retailer who sells only motor vehicles, watercraft,  
20 aircraft, or trailers that are required to be registered with  
21 an agency of this State, so that all retailers' occupation tax  
22 liability is required to be reported, and is reported, on such  
23 transaction reporting returns and who is not otherwise required  
24 to file monthly or quarterly returns, need not file monthly or  
25 quarterly returns. However, those retailers shall be required  
26 to file returns on an annual basis.

1           The transaction reporting return, in the case of motor  
2 vehicles or trailers that are required to be registered with an  
3 agency of this State, shall be the same document as the Uniform  
4 Invoice referred to in Section 5-402 of The Illinois Vehicle  
5 Code and must show the name and address of the seller; the name  
6 and address of the purchaser; the amount of the selling price  
7 including the amount allowed by the retailer for traded-in  
8 property, if any; the amount allowed by the retailer for the  
9 traded-in tangible personal property, if any, to the extent to  
10 which Section 1 of this Act allows an exemption for the value  
11 of traded-in property; the balance payable after deducting such  
12 trade-in allowance from the total selling price; the amount of  
13 tax due from the retailer with respect to such transaction; the  
14 amount of tax collected from the purchaser by the retailer on  
15 such transaction (or satisfactory evidence that such tax is not  
16 due in that particular instance, if that is claimed to be the  
17 fact); the place and date of the sale; a sufficient  
18 identification of the property sold; such other information as  
19 is required in Section 5-402 of The Illinois Vehicle Code, and  
20 such other information as the Department may reasonably  
21 require.

22           The transaction reporting return in the case of watercraft  
23 or aircraft must show the name and address of the seller; the  
24 name and address of the purchaser; the amount of the selling  
25 price including the amount allowed by the retailer for  
26 traded-in property, if any; the amount allowed by the retailer

1 for the traded-in tangible personal property, if any, to the  
2 extent to which Section 1 of this Act allows an exemption for  
3 the value of traded-in property; the balance payable after  
4 deducting such trade-in allowance from the total selling price;  
5 the amount of tax due from the retailer with respect to such  
6 transaction; the amount of tax collected from the purchaser by  
7 the retailer on such transaction (or satisfactory evidence that  
8 such tax is not due in that particular instance, if that is  
9 claimed to be the fact); the place and date of the sale, a  
10 sufficient identification of the property sold, and such other  
11 information as the Department may reasonably require.

12 Such transaction reporting return shall be filed not later  
13 than 20 days after the day of delivery of the item that is  
14 being sold, but may be filed by the retailer at any time sooner  
15 than that if he chooses to do so. The transaction reporting  
16 return and tax remittance or proof of exemption from the  
17 Illinois use tax may be transmitted to the Department by way of  
18 the State agency with which, or State officer with whom the  
19 tangible personal property must be titled or registered (if  
20 titling or registration is required) if the Department and such  
21 agency or State officer determine that this procedure will  
22 expedite the processing of applications for title or  
23 registration.

24 With each such transaction reporting return, the retailer  
25 shall remit the proper amount of tax due (or shall submit  
26 satisfactory evidence that the sale is not taxable if that is

1 the case), to the Department or its agents, whereupon the  
2 Department shall issue, in the purchaser's name, a use tax  
3 receipt (or a certificate of exemption if the Department is  
4 satisfied that the particular sale is tax exempt) which such  
5 purchaser may submit to the agency with which, or State officer  
6 with whom, he must title or register the tangible personal  
7 property that is involved (if titling or registration is  
8 required) in support of such purchaser's application for an  
9 Illinois certificate or other evidence of title or registration  
10 to such tangible personal property.

11 No retailer's failure or refusal to remit tax under this  
12 Act precludes a user, who has paid the proper tax to the  
13 retailer, from obtaining his certificate of title or other  
14 evidence of title or registration (if titling or registration  
15 is required) upon satisfying the Department that such user has  
16 paid the proper tax (if tax is due) to the retailer. The  
17 Department shall adopt appropriate rules to carry out the  
18 mandate of this paragraph.

19 If the user who would otherwise pay tax to the retailer  
20 wants the transaction reporting return filed and the payment of  
21 the tax or proof of exemption made to the Department before the  
22 retailer is willing to take these actions and such user has not  
23 paid the tax to the retailer, such user may certify to the fact  
24 of such delay by the retailer and may (upon the Department  
25 being satisfied of the truth of such certification) transmit  
26 the information required by the transaction reporting return

1 and the remittance for tax or proof of exemption directly to  
2 the Department and obtain his tax receipt or exemption  
3 determination, in which event the transaction reporting return  
4 and tax remittance (if a tax payment was required) shall be  
5 credited by the Department to the proper retailer's account  
6 with the Department, but without the 2.1% or 1.75% discount  
7 provided for in this Section being allowed. When the user pays  
8 the tax directly to the Department, he shall pay the tax in the  
9 same amount and in the same form in which it would be remitted  
10 if the tax had been remitted to the Department by the retailer.

11 Refunds made by the seller during the preceding return  
12 period to purchasers, on account of tangible personal property  
13 returned to the seller, shall be allowed as a deduction under  
14 subdivision 5 of his monthly or quarterly return, as the case  
15 may be, in case the seller had theretofore included the  
16 receipts from the sale of such tangible personal property in a  
17 return filed by him and had paid the tax imposed by this Act  
18 with respect to such receipts.

19 Where the seller is a corporation, the return filed on  
20 behalf of such corporation shall be signed by the president,  
21 vice-president, secretary or treasurer or by the properly  
22 accredited agent of such corporation.

23 Where the seller is a limited liability company, the return  
24 filed on behalf of the limited liability company shall be  
25 signed by a manager, member, or properly accredited agent of  
26 the limited liability company.

1           Except as provided in this Section, the retailer filing the  
2 return under this Section shall, at the time of filing such  
3 return, pay to the Department the amount of tax imposed by this  
4 Act less a discount of 2.1% prior to January 1, 1990 and 1.75%  
5 on and after January 1, 1990, or \$5 per calendar year,  
6 whichever is greater, which is allowed to reimburse the  
7 retailer for the expenses incurred in keeping records,  
8 preparing and filing returns, remitting the tax and supplying  
9 data to the Department on request. Any prepayment made pursuant  
10 to Section 2d of this Act shall be included in the amount on  
11 which such 2.1% or 1.75% discount is computed. In the case of  
12 retailers who report and pay the tax on a transaction by  
13 transaction basis, as provided in this Section, such discount  
14 shall be taken with each such tax remittance instead of when  
15 such retailer files his periodic return. The Department may  
16 disallow the discount for retailers whose certificate of  
17 registration is revoked at the time the return is filed, but  
18 only if the Department's decision to revoke the certificate of  
19 registration has become final.

20           Before October 1, 2000, if the taxpayer's average monthly  
21 tax liability to the Department under this Act, the Use Tax  
22 Act, the Service Occupation Tax Act, and the Service Use Tax  
23 Act, excluding any liability for prepaid sales tax to be  
24 remitted in accordance with Section 2d of this Act, was \$10,000  
25 or more during the preceding 4 complete calendar quarters, he  
26 shall file a return with the Department each month by the 20th

1 day of the month next following the month during which such tax  
2 liability is incurred and shall make payments to the Department  
3 on or before the 7th, 15th, 22nd and last day of the month  
4 during which such liability is incurred. On and after October  
5 1, 2000, if the taxpayer's average monthly tax liability to the  
6 Department under this Act, the Use Tax Act, the Service  
7 Occupation Tax Act, and the Service Use Tax Act, excluding any  
8 liability for prepaid sales tax to be remitted in accordance  
9 with Section 2d of this Act, was \$20,000 or more during the  
10 preceding 4 complete calendar quarters, he shall file a return  
11 with the Department each month by the 20th day of the month  
12 next following the month during which such tax liability is  
13 incurred and shall make payment to the Department on or before  
14 the 7th, 15th, 22nd and last day of the month during which such  
15 liability is incurred. If the month during which such tax  
16 liability is incurred began prior to January 1, 1985, each  
17 payment shall be in an amount equal to 1/4 of the taxpayer's  
18 actual liability for the month or an amount set by the  
19 Department not to exceed 1/4 of the average monthly liability  
20 of the taxpayer to the Department for the preceding 4 complete  
21 calendar quarters (excluding the month of highest liability and  
22 the month of lowest liability in such 4 quarter period). If the  
23 month during which such tax liability is incurred begins on or  
24 after January 1, 1985 and prior to January 1, 1987, each  
25 payment shall be in an amount equal to 22.5% of the taxpayer's  
26 actual liability for the month or 27.5% of the taxpayer's

1 liability for the same calendar month of the preceding year. If  
2 the month during which such tax liability is incurred begins on  
3 or after January 1, 1987 and prior to January 1, 1988, each  
4 payment shall be in an amount equal to 22.5% of the taxpayer's  
5 actual liability for the month or 26.25% of the taxpayer's  
6 liability for the same calendar month of the preceding year. If  
7 the month during which such tax liability is incurred begins on  
8 or after January 1, 1988, and prior to January 1, 1989, or  
9 begins on or after January 1, 1996, each payment shall be in an  
10 amount equal to 22.5% of the taxpayer's actual liability for  
11 the month or 25% of the taxpayer's liability for the same  
12 calendar month of the preceding year. If the month during which  
13 such tax liability is incurred begins on or after January 1,  
14 1989, and prior to January 1, 1996, each payment shall be in an  
15 amount equal to 22.5% of the taxpayer's actual liability for  
16 the month or 25% of the taxpayer's liability for the same  
17 calendar month of the preceding year or 100% of the taxpayer's  
18 actual liability for the quarter monthly reporting period. The  
19 amount of such quarter monthly payments shall be credited  
20 against the final tax liability of the taxpayer's return for  
21 that month. Before October 1, 2000, once applicable, the  
22 requirement of the making of quarter monthly payments to the  
23 Department by taxpayers having an average monthly tax liability  
24 of \$10,000 or more as determined in the manner provided above  
25 shall continue until such taxpayer's average monthly liability  
26 to the Department during the preceding 4 complete calendar

1     quarters (excluding the month of highest liability and the  
2     month of lowest liability) is less than \$9,000, or until such  
3     taxpayer's average monthly liability to the Department as  
4     computed for each calendar quarter of the 4 preceding complete  
5     calendar quarter period is less than \$10,000. However, if a  
6     taxpayer can show the Department that a substantial change in  
7     the taxpayer's business has occurred which causes the taxpayer  
8     to anticipate that his average monthly tax liability for the  
9     reasonably foreseeable future will fall below the \$10,000  
10    threshold stated above, then such taxpayer may petition the  
11    Department for a change in such taxpayer's reporting status. On  
12    and after October 1, 2000, once applicable, the requirement of  
13    the making of quarter monthly payments to the Department by  
14    taxpayers having an average monthly tax liability of \$20,000 or  
15    more as determined in the manner provided above shall continue  
16    until such taxpayer's average monthly liability to the  
17    Department during the preceding 4 complete calendar quarters  
18    (excluding the month of highest liability and the month of  
19    lowest liability) is less than \$19,000 or until such taxpayer's  
20    average monthly liability to the Department as computed for  
21    each calendar quarter of the 4 preceding complete calendar  
22    quarter period is less than \$20,000. However, if a taxpayer can  
23    show the Department that a substantial change in the taxpayer's  
24    business has occurred which causes the taxpayer to anticipate  
25    that his average monthly tax liability for the reasonably  
26    foreseeable future will fall below the \$20,000 threshold stated

1 above, then such taxpayer may petition the Department for a  
2 change in such taxpayer's reporting status. The Department  
3 shall change such taxpayer's reporting status unless it finds  
4 that such change is seasonal in nature and not likely to be  
5 long term. If any such quarter monthly payment is not paid at  
6 the time or in the amount required by this Section, then the  
7 taxpayer shall be liable for penalties and interest on the  
8 difference between the minimum amount due as a payment and the  
9 amount of such quarter monthly payment actually and timely  
10 paid, except insofar as the taxpayer has previously made  
11 payments for that month to the Department in excess of the  
12 minimum payments previously due as provided in this Section.  
13 The Department shall make reasonable rules and regulations to  
14 govern the quarter monthly payment amount and quarter monthly  
15 payment dates for taxpayers who file on other than a calendar  
16 monthly basis.

17 The provisions of this paragraph apply before October 1,  
18 2001. Without regard to whether a taxpayer is required to make  
19 quarter monthly payments as specified above, any taxpayer who  
20 is required by Section 2d of this Act to collect and remit  
21 prepaid taxes and has collected prepaid taxes which average in  
22 excess of \$25,000 per month during the preceding 2 complete  
23 calendar quarters, shall file a return with the Department as  
24 required by Section 2f and shall make payments to the  
25 Department on or before the 7th, 15th, 22nd and last day of the  
26 month during which such liability is incurred. If the month

1 during which such tax liability is incurred began prior to the  
2 effective date of this amendatory Act of 1985, each payment  
3 shall be in an amount not less than 22.5% of the taxpayer's  
4 actual liability under Section 2d. If the month during which  
5 such tax liability is incurred begins on or after January 1,  
6 1986, each payment shall be in an amount equal to 22.5% of the  
7 taxpayer's actual liability for the month or 27.5% of the  
8 taxpayer's liability for the same calendar month of the  
9 preceding calendar year. If the month during which such tax  
10 liability is incurred begins on or after January 1, 1987, each  
11 payment shall be in an amount equal to 22.5% of the taxpayer's  
12 actual liability for the month or 26.25% of the taxpayer's  
13 liability for the same calendar month of the preceding year.  
14 The amount of such quarter monthly payments shall be credited  
15 against the final tax liability of the taxpayer's return for  
16 that month filed under this Section or Section 2f, as the case  
17 may be. Once applicable, the requirement of the making of  
18 quarter monthly payments to the Department pursuant to this  
19 paragraph shall continue until such taxpayer's average monthly  
20 prepaid tax collections during the preceding 2 complete  
21 calendar quarters is \$25,000 or less. If any such quarter  
22 monthly payment is not paid at the time or in the amount  
23 required, the taxpayer shall be liable for penalties and  
24 interest on such difference, except insofar as the taxpayer has  
25 previously made payments for that month in excess of the  
26 minimum payments previously due.

1           The provisions of this paragraph apply on and after October  
2 1, 2001. Without regard to whether a taxpayer is required to  
3 make quarter monthly payments as specified above, any taxpayer  
4 who is required by Section 2d of this Act to collect and remit  
5 prepaid taxes and has collected prepaid taxes that average in  
6 excess of \$20,000 per month during the preceding 4 complete  
7 calendar quarters shall file a return with the Department as  
8 required by Section 2f and shall make payments to the  
9 Department on or before the 7th, 15th, 22nd and last day of the  
10 month during which the liability is incurred. Each payment  
11 shall be in an amount equal to 22.5% of the taxpayer's actual  
12 liability for the month or 25% of the taxpayer's liability for  
13 the same calendar month of the preceding year. The amount of  
14 the quarter monthly payments shall be credited against the  
15 final tax liability of the taxpayer's return for that month  
16 filed under this Section or Section 2f, as the case may be.  
17 Once applicable, the requirement of the making of quarter  
18 monthly payments to the Department pursuant to this paragraph  
19 shall continue until the taxpayer's average monthly prepaid tax  
20 collections during the preceding 4 complete calendar quarters  
21 (excluding the month of highest liability and the month of  
22 lowest liability) is less than \$19,000 or until such taxpayer's  
23 average monthly liability to the Department as computed for  
24 each calendar quarter of the 4 preceding complete calendar  
25 quarters is less than \$20,000. If any such quarter monthly  
26 payment is not paid at the time or in the amount required, the

1 taxpayer shall be liable for penalties and interest on such  
2 difference, except insofar as the taxpayer has previously made  
3 payments for that month in excess of the minimum payments  
4 previously due.

5 If any payment provided for in this Section exceeds the  
6 taxpayer's liabilities under this Act, the Use Tax Act, the  
7 Service Occupation Tax Act and the Service Use Tax Act, as  
8 shown on an original monthly return, the Department shall, if  
9 requested by the taxpayer, issue to the taxpayer a credit  
10 memorandum no later than 30 days after the date of payment. The  
11 credit evidenced by such credit memorandum may be assigned by  
12 the taxpayer to a similar taxpayer under this Act, the Use Tax  
13 Act, the Service Occupation Tax Act or the Service Use Tax Act,  
14 in accordance with reasonable rules and regulations to be  
15 prescribed by the Department. If no such request is made, the  
16 taxpayer may credit such excess payment against tax liability  
17 subsequently to be remitted to the Department under this Act,  
18 the Use Tax Act, the Service Occupation Tax Act or the Service  
19 Use Tax Act, in accordance with reasonable rules and  
20 regulations prescribed by the Department. If the Department  
21 subsequently determined that all or any part of the credit  
22 taken was not actually due to the taxpayer, the taxpayer's 2.1%  
23 and 1.75% vendor's discount shall be reduced by 2.1% or 1.75%  
24 of the difference between the credit taken and that actually  
25 due, and that taxpayer shall be liable for penalties and  
26 interest on such difference.

1           If a retailer of motor fuel is entitled to a credit under  
2 Section 2d of this Act which exceeds the taxpayer's liability  
3 to the Department under this Act for the month which the  
4 taxpayer is filing a return, the Department shall issue the  
5 taxpayer a credit memorandum for the excess.

6           Each month the Department shall pay into the Public  
7 University Capital Projects Fund 100% of the net revenue  
8 realized for the preceding month from the additional tax  
9 imposed on sales occurring on a campus of a public university  
10 under Section 2-12 of this Act.

11           Beginning January 1, 1990, each month the Department shall  
12 pay into the Local Government Tax Fund, a special fund in the  
13 State treasury which is hereby created, the net revenue  
14 realized for the preceding month from the 1% tax on sales of  
15 food for human consumption which is to be consumed off the  
16 premises where it is sold (other than alcoholic beverages, soft  
17 drinks and food which has been prepared for immediate  
18 consumption) and prescription and nonprescription medicines,  
19 drugs, medical appliances and insulin, urine testing  
20 materials, syringes and needles used by diabetics.

21           Beginning January 1, 1990, each month the Department shall  
22 pay into the County and Mass Transit District Fund, a special  
23 fund in the State treasury which is hereby created, 4% of the  
24 net revenue realized for the preceding month from the 6.25%  
25 general rate.

26           Beginning August 1, 2000, each month the Department shall

1 pay into the County and Mass Transit District Fund 20% of the  
2 net revenue realized for the preceding month from the 1.25%  
3 rate on the selling price of motor fuel and gasohol. Beginning  
4 September 1, 2010, each month the Department shall pay into the  
5 County and Mass Transit District Fund 20% of the net revenue  
6 realized for the preceding month from the 1.25% rate on the  
7 selling price of sales tax holiday items.

8 Beginning January 1, 1990, each month the Department shall  
9 pay into the Local Government Tax Fund 16% of the net revenue  
10 realized for the preceding month from the 6.25% general rate on  
11 the selling price of tangible personal property.

12 Beginning August 1, 2000, each month the Department shall  
13 pay into the Local Government Tax Fund 80% of the net revenue  
14 realized for the preceding month from the 1.25% rate on the  
15 selling price of motor fuel and gasohol. Beginning September 1,  
16 2010, each month the Department shall pay into the Local  
17 Government Tax Fund 80% of the net revenue realized for the  
18 preceding month from the 1.25% rate on the selling price of  
19 sales tax holiday items.

20 Beginning October 1, 2009, each month the Department shall  
21 pay into the Capital Projects Fund an amount that is equal to  
22 an amount estimated by the Department to represent 80% of the  
23 net revenue realized for the preceding month from the sale of  
24 candy, grooming and hygiene products, and soft drinks that had  
25 been taxed at a rate of 1% prior to September 1, 2009 but that  
26 are ~~is~~ now taxed at 6.25%.

1           Beginning July 1, 2011, each month the Department shall pay  
2 into the Clean Air Act (CAA) Permit Fund 80% of the net revenue  
3 realized for the preceding month from the 6.25% general rate on  
4 the selling price of sorbents used in Illinois in the process  
5 of sorbent injection as used to comply with the Environmental  
6 Protection Act or the federal Clean Air Act, but the total  
7 payment into the Clean Air Act (CAA) Permit Fund under this Act  
8 and the Use Tax Act shall not exceed \$2,000,000 in any fiscal  
9 year.

10           Beginning July 1, 2013, each month the Department shall pay  
11 into the Underground Storage Tank Fund from the proceeds  
12 collected under this Act, the Use Tax Act, the Service Use Tax  
13 Act, and the Service Occupation Tax Act an amount equal to the  
14 average monthly deficit in the Underground Storage Tank Fund  
15 during the prior year, as certified annually by the Illinois  
16 Environmental Protection Agency, but the total payment into the  
17 Underground Storage Tank Fund under this Act, the Use Tax Act,  
18 the Service Use Tax Act, and the Service Occupation Tax Act  
19 shall not exceed \$18,000,000 in any State fiscal year. As used  
20 in this paragraph, the "average monthly deficit" shall be equal  
21 to the difference between the average monthly claims for  
22 payment by the fund and the average monthly revenues deposited  
23 into the fund, excluding payments made pursuant to this  
24 paragraph.

25           Of the remainder of the moneys received by the Department  
26 pursuant to this Act, (a) 1.75% thereof shall be paid into the

1 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on  
2 and after July 1, 1989, 3.8% thereof shall be paid into the  
3 Build Illinois Fund; provided, however, that if in any fiscal  
4 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case  
5 may be, of the moneys received by the Department and required  
6 to be paid into the Build Illinois Fund pursuant to this Act,  
7 Section 9 of the Use Tax Act, Section 9 of the Service Use Tax  
8 Act, and Section 9 of the Service Occupation Tax Act, such Acts  
9 being hereinafter called the "Tax Acts" and such aggregate of  
10 2.2% or 3.8%, as the case may be, of moneys being hereinafter  
11 called the "Tax Act Amount", and (2) the amount transferred to  
12 the Build Illinois Fund from the State and Local Sales Tax  
13 Reform Fund shall be less than the Annual Specified Amount (as  
14 hereinafter defined), an amount equal to the difference shall  
15 be immediately paid into the Build Illinois Fund from other  
16 moneys received by the Department pursuant to the Tax Acts; the  
17 "Annual Specified Amount" means the amounts specified below for  
18 fiscal years 1986 through 1993:

19	Fiscal Year	Annual Specified Amount
20	1986	\$54,800,000
21	1987	\$76,650,000
22	1988	\$80,480,000
23	1989	\$88,510,000
24	1990	\$115,330,000
25	1991	\$145,470,000
26	1992	\$182,730,000

1                           1993   \$206,520,000;

2   and means the Certified Annual Debt Service Requirement (as

3   defined in Section 13 of the Build Illinois Bond Act) or the

4   Tax Act Amount, whichever is greater, for fiscal year 1994 and

5   each fiscal year thereafter; and further provided, that if on

6   the last business day of any month the sum of (1) the Tax Act

7   Amount required to be deposited into the Build Illinois Bond

8   Account in the Build Illinois Fund during such month and (2)

9   the amount transferred to the Build Illinois Fund from the

10   State and Local Sales Tax Reform Fund shall have been less than

11   1/12 of the Annual Specified Amount, an amount equal to the

12   difference shall be immediately paid into the Build Illinois

13   Fund from other moneys received by the Department pursuant to

14   the Tax Acts; and, further provided, that in no event shall the

15   payments required under the preceding proviso result in

16   aggregate payments into the Build Illinois Fund pursuant to

17   this clause (b) for any fiscal year in excess of the greater of

18   (i) the Tax Act Amount or (ii) the Annual Specified Amount for

19   such fiscal year. The amounts payable into the Build Illinois

20   Fund under clause (b) of the first sentence in this paragraph

21   shall be payable only until such time as the aggregate amount

22   on deposit under each trust indenture securing Bonds issued and

23   outstanding pursuant to the Build Illinois Bond Act is

24   sufficient, taking into account any future investment income,

25   to fully provide, in accordance with such indenture, for the

26   defeasance of or the payment of the principal of, premium, if

1 any, and interest on the Bonds secured by such indenture and on  
2 any Bonds expected to be issued thereafter and all fees and  
3 costs payable with respect thereto, all as certified by the  
4 Director of the Bureau of the Budget (now Governor's Office of  
5 Management and Budget). If on the last business day of any  
6 month in which Bonds are outstanding pursuant to the Build  
7 Illinois Bond Act, the aggregate of moneys deposited in the  
8 Build Illinois Bond Account in the Build Illinois Fund in such  
9 month shall be less than the amount required to be transferred  
10 in such month from the Build Illinois Bond Account to the Build  
11 Illinois Bond Retirement and Interest Fund pursuant to Section  
12 13 of the Build Illinois Bond Act, an amount equal to such  
13 deficiency shall be immediately paid from other moneys received  
14 by the Department pursuant to the Tax Acts to the Build  
15 Illinois Fund; provided, however, that any amounts paid to the  
16 Build Illinois Fund in any fiscal year pursuant to this  
17 sentence shall be deemed to constitute payments pursuant to  
18 clause (b) of the first sentence of this paragraph and shall  
19 reduce the amount otherwise payable for such fiscal year  
20 pursuant to that clause (b). The moneys received by the  
21 Department pursuant to this Act and required to be deposited  
22 into the Build Illinois Fund are subject to the pledge, claim  
23 and charge set forth in Section 12 of the Build Illinois Bond  
24 Act.

25 Subject to payment of amounts into the Build Illinois Fund  
26 as provided in the preceding paragraph or in any amendment

1 thereto hereafter enacted, the following specified monthly  
2 installment of the amount requested in the certificate of the  
3 Chairman of the Metropolitan Pier and Exposition Authority  
4 provided under Section 8.25f of the State Finance Act, but not  
5 in excess of sums designated as "Total Deposit", shall be  
6 deposited in the aggregate from collections under Section 9 of  
7 the Use Tax Act, Section 9 of the Service Use Tax Act, Section  
8 9 of the Service Occupation Tax Act, and Section 3 of the  
9 Retailers' Occupation Tax Act into the McCormick Place  
10 Expansion Project Fund in the specified fiscal years.

	Fiscal Year	Total Deposit
11		
12	1993	\$0
13	1994	53,000,000
14	1995	58,000,000
15	1996	61,000,000
16	1997	64,000,000
17	1998	68,000,000
18	1999	71,000,000
19	2000	75,000,000
20	2001	80,000,000
21	2002	93,000,000
22	2003	99,000,000
23	2004	103,000,000
24	2005	108,000,000
25	2006	113,000,000

1	2007	119,000,000
2	2008	126,000,000
3	2009	132,000,000
4	2010	139,000,000
5	2011	146,000,000
6	2012	153,000,000
7	2013	161,000,000
8	2014	170,000,000
9	2015	179,000,000
10	2016	189,000,000
11	2017	199,000,000
12	2018	210,000,000
13	2019	221,000,000
14	2020	233,000,000
15	2021	246,000,000
16	2022	260,000,000
17	2023	275,000,000
18	2024	275,000,000
19	2025	275,000,000
20	2026	279,000,000
21	2027	292,000,000
22	2028	307,000,000
23	2029	322,000,000
24	2030	338,000,000
25	2031	350,000,000
26	2032	350,000,000

1                                   and  
2                                   each fiscal year  
3                                   thereafter that bonds  
4                                   are outstanding under  
5                                   Section 13.2 of the  
6                                   Metropolitan Pier and  
7                                   Exposition Authority Act,  
8                                   but not after fiscal year 2060.

9                   Beginning July 20, 1993 and in each month of each fiscal  
10                   year thereafter, one-eighth of the amount requested in the  
11                   certificate of the Chairman of the Metropolitan Pier and  
12                   Exposition Authority for that fiscal year, less the amount  
13                   deposited into the McCormick Place Expansion Project Fund by  
14                   the State Treasurer in the respective month under subsection  
15                   (g) of Section 13 of the Metropolitan Pier and Exposition  
16                   Authority Act, plus cumulative deficiencies in the deposits  
17                   required under this Section for previous months and years,  
18                   shall be deposited into the McCormick Place Expansion Project  
19                   Fund, until the full amount requested for the fiscal year, but  
20                   not in excess of the amount specified above as "Total Deposit",  
21                   has been deposited.

22                   Subject to payment of amounts into the Build Illinois Fund  
23                   and the McCormick Place Expansion Project Fund pursuant to the  
24                   preceding paragraphs or in any amendments thereto hereafter  
25                   enacted, beginning July 1, 1993 and ending on September 30,  
26                   2013, the Department shall each month pay into the Illinois Tax

1 Increment Fund 0.27% of 80% of the net revenue realized for the  
2 preceding month from the 6.25% general rate on the selling  
3 price of tangible personal property.

4 Subject to payment of amounts into the Build Illinois Fund  
5 and the McCormick Place Expansion Project Fund pursuant to the  
6 preceding paragraphs or in any amendments thereto hereafter  
7 enacted, beginning with the receipt of the first report of  
8 taxes paid by an eligible business and continuing for a 25-year  
9 period, the Department shall each month pay into the Energy  
10 Infrastructure Fund 80% of the net revenue realized from the  
11 6.25% general rate on the selling price of Illinois-mined coal  
12 that was sold to an eligible business. For purposes of this  
13 paragraph, the term "eligible business" means a new electric  
14 generating facility certified pursuant to Section 605-332 of  
15 the Department of Commerce and Economic Opportunity Law of the  
16 Civil Administrative Code of Illinois.

17 Of the remainder of the moneys received by the Department  
18 pursuant to this Act, 75% thereof shall be paid into the State  
19 Treasury and 25% shall be reserved in a special account and  
20 used only for the transfer to the Common School Fund as part of  
21 the monthly transfer from the General Revenue Fund in  
22 accordance with Section 8a of the State Finance Act.

23 The Department may, upon separate written notice to a  
24 taxpayer, require the taxpayer to prepare and file with the  
25 Department on a form prescribed by the Department within not  
26 less than 60 days after receipt of the notice an annual

1 information return for the tax year specified in the notice.  
2 Such annual return to the Department shall include a statement  
3 of gross receipts as shown by the retailer's last Federal  
4 income tax return. If the total receipts of the business as  
5 reported in the Federal income tax return do not agree with the  
6 gross receipts reported to the Department of Revenue for the  
7 same period, the retailer shall attach to his annual return a  
8 schedule showing a reconciliation of the 2 amounts and the  
9 reasons for the difference. The retailer's annual return to the  
10 Department shall also disclose the cost of goods sold by the  
11 retailer during the year covered by such return, opening and  
12 closing inventories of such goods for such year, costs of goods  
13 used from stock or taken from stock and given away by the  
14 retailer during such year, payroll information of the  
15 retailer's business during such year and any additional  
16 reasonable information which the Department deems would be  
17 helpful in determining the accuracy of the monthly, quarterly  
18 or annual returns filed by such retailer as provided for in  
19 this Section.

20 If the annual information return required by this Section  
21 is not filed when and as required, the taxpayer shall be liable  
22 as follows:

23 (i) Until January 1, 1994, the taxpayer shall be liable  
24 for a penalty equal to 1/6 of 1% of the tax due from such  
25 taxpayer under this Act during the period to be covered by  
26 the annual return for each month or fraction of a month

1           until such return is filed as required, the penalty to be  
2           assessed and collected in the same manner as any other  
3           penalty provided for in this Act.

4           (ii) On and after January 1, 1994, the taxpayer shall  
5           be liable for a penalty as described in Section 3-4 of the  
6           Uniform Penalty and Interest Act.

7           The chief executive officer, proprietor, owner or highest  
8           ranking manager shall sign the annual return to certify the  
9           accuracy of the information contained therein. Any person who  
10          willfully signs the annual return containing false or  
11          inaccurate information shall be guilty of perjury and punished  
12          accordingly. The annual return form prescribed by the  
13          Department shall include a warning that the person signing the  
14          return may be liable for perjury.

15          The provisions of this Section concerning the filing of an  
16          annual information return do not apply to a retailer who is not  
17          required to file an income tax return with the United States  
18          Government.

19          As soon as possible after the first day of each month, upon  
20          certification of the Department of Revenue, the Comptroller  
21          shall order transferred and the Treasurer shall transfer from  
22          the General Revenue Fund to the Motor Fuel Tax Fund an amount  
23          equal to 1.7% of 80% of the net revenue realized under this Act  
24          for the second preceding month. Beginning April 1, 2000, this  
25          transfer is no longer required and shall not be made.

26          Net revenue realized for a month shall be the revenue

1 collected by the State pursuant to this Act, less the amount  
2 paid out during that month as refunds to taxpayers for  
3 overpayment of liability.

4 For greater simplicity of administration, manufacturers,  
5 importers and wholesalers whose products are sold at retail in  
6 Illinois by numerous retailers, and who wish to do so, may  
7 assume the responsibility for accounting and paying to the  
8 Department all tax accruing under this Act with respect to such  
9 sales, if the retailers who are affected do not make written  
10 objection to the Department to this arrangement.

11 Any person who promotes, organizes, provides retail  
12 selling space for concessionaires or other types of sellers at  
13 the Illinois State Fair, DuQuoin State Fair, county fairs,  
14 local fairs, art shows, flea markets and similar exhibitions or  
15 events, including any transient merchant as defined by Section  
16 2 of the Transient Merchant Act of 1987, is required to file a  
17 report with the Department providing the name of the merchant's  
18 business, the name of the person or persons engaged in  
19 merchant's business, the permanent address and Illinois  
20 Retailers Occupation Tax Registration Number of the merchant,  
21 the dates and location of the event and other reasonable  
22 information that the Department may require. The report must be  
23 filed not later than the 20th day of the month next following  
24 the month during which the event with retail sales was held.  
25 Any person who fails to file a report required by this Section  
26 commits a business offense and is subject to a fine not to

1 exceed \$250.

2 Any person engaged in the business of selling tangible  
3 personal property at retail as a concessionaire or other type  
4 of seller at the Illinois State Fair, county fairs, art shows,  
5 flea markets and similar exhibitions or events, or any  
6 transient merchants, as defined by Section 2 of the Transient  
7 Merchant Act of 1987, may be required to make a daily report of  
8 the amount of such sales to the Department and to make a daily  
9 payment of the full amount of tax due. The Department shall  
10 impose this requirement when it finds that there is a  
11 significant risk of loss of revenue to the State at such an  
12 exhibition or event. Such a finding shall be based on evidence  
13 that a substantial number of concessionaires or other sellers  
14 who are not residents of Illinois will be engaging in the  
15 business of selling tangible personal property at retail at the  
16 exhibition or event, or other evidence of a significant risk of  
17 loss of revenue to the State. The Department shall notify  
18 concessionaires and other sellers affected by the imposition of  
19 this requirement. In the absence of notification by the  
20 Department, the concessionaires and other sellers shall file  
21 their returns as otherwise required in this Section.

22 (Source: P.A. 97-95, eff. 7-12-11; 97-333, eff. 8-12-11; 98-24,  
23 eff. 6-19-13; 98-109, eff. 7-25-13; 98-496, eff. 1-1-14;  
24 revised 9-9-13.)

25 Section 99. Effective date. This Act takes effect upon

1 becoming law.".